


The NATIONAL UNDERWRITER


Parades and hullabaloo all around us are evidence that once again the American public is about to elect its representatives. The ancient democratic right of every citizen to exercise his choice is precious and must be preserved. . . . There is another American custom, almost as old, which prevails day after day without benefit of ballyhoo—it is the careful selection of representatives or local agents who are qualified to furnish adequate and proper insurance protection. . . . Year after year, the people's choice overwhelmingly favors stock fire insurance. And Crum & Forster companies, strong advocates of the American Agency system and of stock fire insurance principles, receive more and more each year the enthusiastic votes of agents and brokers who expect up-to-the-minute service.



KANSAS AGENTS CONVENTION



CRUM & FORSTER
MANAGERS

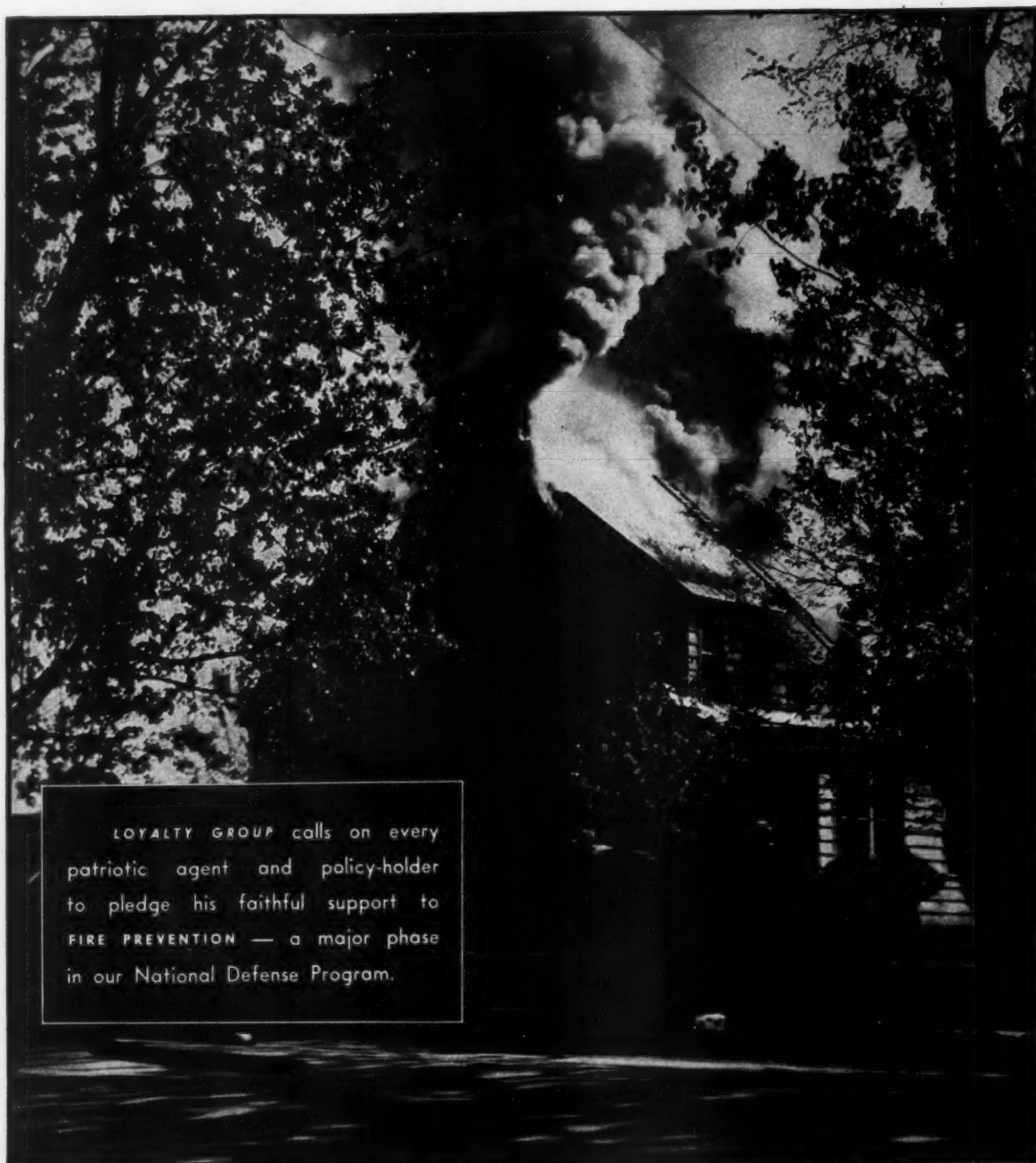


110 WILLIAM STREET • NEW YORK, N. Y.

United States Fire Insurance Co. The North River Insurance Co. Westchester Fire Insurance Co. The Allemannia Fire Insurance Co. of Pittsburgh	Organized 1824 Organized 1822 Organized 1837 Organized 1868	Richmond Insurance Co. Western Assurance Co., U. S. Branch British America Assurance Co., U. S. Branch Southern Fire Insurance Co., Durham, N. C.	Organized 1826 Incorporated 1851 Incorporated 1833 Incorporated 1923
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THURSDAY, OCTOBER 17, 1940



LOYALTY GROUP calls on every patriotic agent and policy-holder to pledge his faithful support to FIRE PREVENTION — a major phase in our National Defense Program.



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The Girard Fire & Marine Insurance Company
National-Ben Franklin Fire Insurance Company
Pittsburgh Underwriters • Keystone Underwriters
Milwaukee Mechanics' Insurance Company

The Concordia Fire Insurance Co. of Milwaukee
Royal Plate Glass & General Ins. Co. of Canada
The Metropolitan Casualty Ins. Co. of N. Y.
Commercial Casualty Insurance Company

Western Department
844 Rush St.
Chicago, Illinois

Southwestern Dept.
912 Commerce St.
Dallas, Texas

Pacific Department
220 Bush St.
San Francisco, Calif.

HOME OFFICE
10 Park Place
Newark, New Jersey

Foreign Department
111 John St.
New York, New York

Canadian Departments
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FIRE · MARINE · CASUALTY · SURETY

Loyalty Group
INSURANCE

Have your Fire-Insurance Sales on New Homes Increased 800% in the last 7 years?

The building of new homes has increased almost 800% since 1933. Have your sales of fire and casualty insurance covered this booming new market?

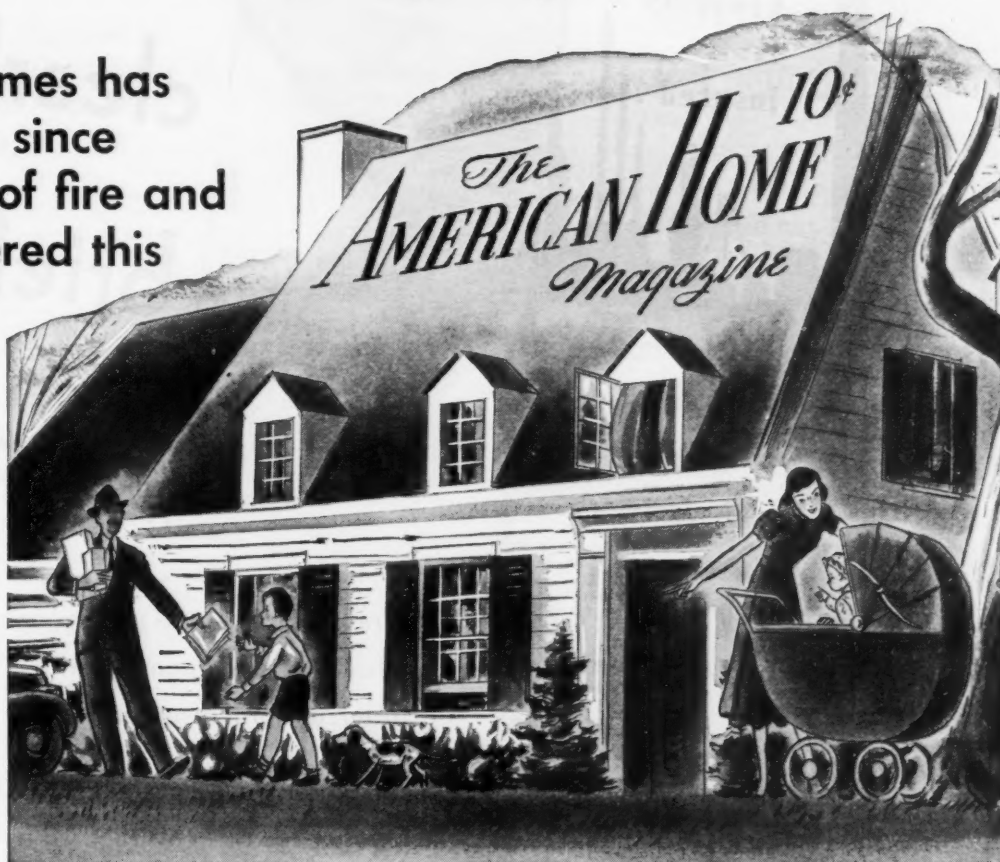
DID YOU know that salaries and wages have increased 50% in America since 1933? Auto sales have jumped 77% . . . and money for home modernization and repairs has flowed out 125% faster!

Yes, the need for more fire and casualty insurance is now greater than ever before in American history. And there's more money available to buy it.

How to Reach This Expanding New Market

One magazine in America has kept in step with these amazing advances. Over 2 million active-minded men and women are now reading *The American Home*—keeping up with its new, complete ideas on homemaking. *The American Home* publishes more of these ideas than any other major magazine, weekly or monthly.

Among the companies who have contributed to *The American Home*'s



1000% gain in advertising revenue we are proud to list—

The American Insurance Group
The Employers' Group
Home Insurance Company
Phoenix Mutual Life Insurance Co.
Prudential Insurance Co. of America

FREE—Would you like to look over a copy of the current *American Home*, free? Just write, on your own letterhead, to *The American Home*, 444 Madison Avenue, New York City.

FIRST


in percentage of Family
Readers with INCOMES over
\$1,000 a year among ALL
WEEKLY and MONTHLY
MAGAZINES with
over 2,000,000
circulation

... in the same 7 years
The *AMERICAN HOME* Magazine
has grown from 300,000 to
2,000,000 Families



U & O EXPLAINED..

IF
your
property
is
insured . . .



USE & OCCUPANCY VALUE AND LOSS
(ANNUAL BASIS)

What does it Cost?

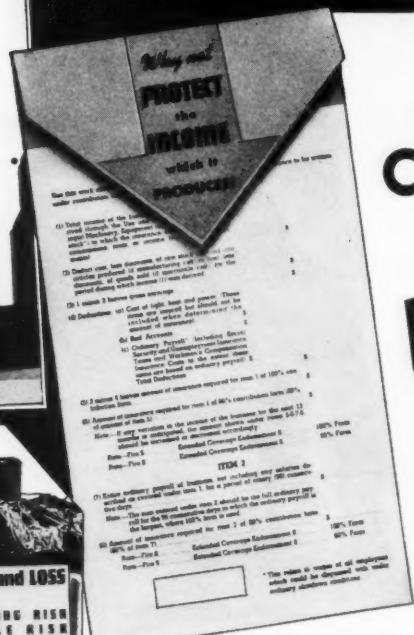
According to the National Association of Credit Men:

The average pay entry has a direct and substantial impact bearing on your financial standing. Excess rates with narrow margins coupled in excess have had their financial standing improved to become viable business because they are undeniably insured.

A well known financial agency reports that of all business, which are heavily damaged by fire, 47% fail. Only 18% come through with a disaster without impairment of credit and financial stability.

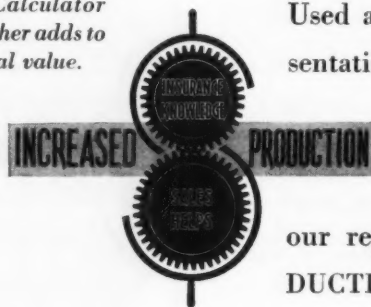
BUY PRICE	BUY PRICE AND INTEREST	BUY PRICE AND INTEREST AND LOSS
\$100,000	\$100,000	\$100,000
\$100,000	\$100,000	\$100,000
\$100,000	\$100,000	\$100,000

Why not PROTECT the income which is PRODUCED



clearly
briefly
graphically

On the reverse of this folder (as shown in the illustration) is a U. & O. Calculator which further adds to its practical value.



Prevailing business and economic trends give particular emphasis to the importance of Use and Occupancy (Business Interruption) insurance.

To assist our representatives in cultivating the responsive market for this coverage we have prepared the graphic sales folder pictured above. Mailed in advance of a personal call, its clear presentation helps to break down sales resistance. Used at the time of the solicitation, it dramatizes the presentation by keeping it on a "brass tacks" basis.

For a specimen of this timely sales aid, together with information regarding other ways in which our representatives are helped toward INCREASED PRODUCTION, address Publicity Department,

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The NATIONAL UNDERWRITER

Forty-fourth Year—No. 42

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, OCTOBER 17, 1940

\$4.00 Year, 20 Cents a Copy

U. S. High Court Upholds Montana Countersigning Law

Entire Commission Must Be Paid to the Resident Agent

Reversing the decision of a three judge federal court, the United States Supreme Court has sustained the constitutionality of the Montana law requiring insurers to pay the entire commission to Montana agents on policies covering Montana risks. The supreme court did not give a formal opinion. It merely stated that the opinion of the lower court which was rendered last March was reversed.

There had been much speculation as to the probable decision of the United States Supreme Court in this case ever since the Supreme Court decision was given upholding the constitutionality of the Virginia countersignature law under which the entire commission must be paid to Virginia agents on Virginia risks but permitting the countersigning agent to remit not more than 50 percent of the commission to the agent who controls the line. In the Virginia decision, the supreme court expressed the opinion that the state was entirely within its rights in requiring commissions to be paid to the resident agent and there was nothing in the opinion that indicated that the principle would be affected by the amount of commission that the state should demand for its agents.

Law Passed in 1937

The Montana law was passed in 1937. It stipulates that the "full commission" should be paid the countersigning agent. The attorney-general ruled that "full" commission meant the entire commission on the policy. The fire companies arranged to have a test case and two actions were instituted, one in the name of New Brunswick Fire and the other in the name of Springfield F. & M.

This decision of the supreme court comes at a time when the countersignature issue is one of the most important problems facing the industry. The insurance commissioners, local agents and other organizations have held conferences looking to the adoption of a uniform countersignature law.

Oklahoma Committees Named

Clifford Wetzel, president of the Oklahoma Association of Insurers, has made his committee appointments. The chairmen are: Casualty conference, E. R. Ledbetter, Oklahoma City; fire conference, Ben Voth, Tulsa; membership, L. J. McCoy, Ponca City; education, Harry Parrish, Tulsa; national legislative, E. V. Mashburn; public relations, John Allen, Okmulgee; business development, Clarence Haskett, Oklahoma City; rural agents, Kent Johnson, Alva; and legislative, John Bowers, Enid.

Weigh Conscription, War Risk Problems

Program Outlined for Insurance Conference of American Management

Companies in almost every industry are concerned with a wide variety of insurance problems arising out of conscription and defense production, it is disclosed in returns from a survey recently compiled by the American Management Association in preparation for the association's winter insurance conference in Chicago, Dec. 5-6.

In seeking topics for the conference in which insurance buyers are now especially interested the association found almost universal concern expressed over coverages bearing on conscripted personnel and war risks. As a result these will be two of the principal topics at the conference.

Based on the preferences expressed in the hundreds of replies that were received, the program is tentatively being arranged as follows: On the opening morning there will be addresses on director's liability insurance, which will report a survey now being conducted by the American Management Association, and on insurance problems of personnel created by conscription.

Question and Answer Session

In the afternoon there will be a questions-and-answers session, which will be presided over by Ralph H. Blanchard, Columbia University. The members of the panel at this session will be representatives of the underwriters of various kinds of insurance coverage. Topics listed for discussion at this session are the adjustment of losses, hospitalization and group medicine, safety and fire prevention, fire insurance, liability and bonding. This discussion will extend into the evening of Dec. 5, when three sessions in charge of buyers will be devoted to bonding, liability, and safety.

On the morning of the second day the conference will give its attention to war risk insurance and its ramifications. Such topics will be considered as sabotage, malicious mischief, vandalism, civil commotion, bombardment, etc. A second topic is being considered for this session, entitled "Insurance Management for the Smaller Company."

For the afternoon of Dec. 6 the association will arrange tours to the Underwriters Laboratories in Chicago but will also make meeting rooms available for informal discussion of various insurance-buying problems.

The following topics were suggested for discussion at the next insurance conference by those who attended the May meeting:

Use and occupancy, all risk coverage, annuities, group hospitalization and medical care, workmen's compensation (eligible and non-eligible employees), automobile fleet, machinery use and occupancy, power interruption, pension plans, retrospective rating, self insurance, contemplated changes in standard coverages, products liability insurance for manufacturers.

Also: Fire prevention, inland marine, social security, boiler and machinery, life insurance plans for employees, rating

Lucas Condemns HOLC Contract

Missouri Commissioner Outspoken in Favor of State Supervision

Commissioner R. B. Lucas of Missouri attended a breakfast conference at the American Life Convention meeting at the Edgewater Beach Hotel in Chicago last week and while he was talking to life men he criticised very severely the Home Owners Loan Corporation insurance contract. He said that the HOLC in forcing through its contract demanded 25 percent of the premium, thus giving it \$1,500,000 or more during the year to make up what he termed deficits. Commissioner Lucas said that the contract was made on part of the HOLC for revenue purposes only. There are \$6,000,000 potential premiums, he said, coming out of HOLC fire insurance business. The HOLC gets 25 percent of this. He declared that the contract was an outrage and said that if the HOLC can grab off this amount then there is something wrong with the rates.

Backs Up State Supervision

Commissioner Lucas declared that insurance companies, agents and all in the business are far better off with state supervision than federal. He is president of a bank in Missouri. Yet he said the banks under federal control have to go to Washington for any major decision. That is, there is no home rule so far as banks are concerned. Many times a bank would be willing to do something and yet it cannot act until it gets approval from Washington and there is often tedious delay. This, he said, was highly unsatisfactory. He sees many advantages in home rule so far as insurance is concerned.

He made the point that if the government supervises insurance it means a supervision by bureaucrats. There will be no change in personnel. Insurance will be against a stone wall.

Mr. Lucas said that since he had come into office he had become acquainted with the insurance commissioners throughout the country, he finds for the most part they are endeavoring to do the right thing and they are accomplishing much along correct lines. In other words, he said, they are doing a splendid job. It is to the distinct advantage of the public and all in the business, he said, to have state supervision continue.

plans for automobile liability, stop loss and excess limits, uninsured and uninsurable hazards, general loss prevention, insurance management for smaller companies, contract simplification, indirect damage boiler and machinery, special hazard coverages, records required to establish insurable values for adjustment purposes, the settlement of losses, buyer and seller cooperation, insurable and depreciation values for loss adjustment and appraisal, increased unemployment social security taxes under merit rating, war risk coverages, control of work-

(CONTINUED ON LAST PAGE)

Brief Prepared by SCA Is Sent Out to Commissioners

Argues Legality of HOLC Contract in 74-Page Instrument

NEW YORK—Commissioners of all states now have before them copies of the 74-page brief prepared by counsel of the Stock Company Association, setting forth the terms of its contract with the Home Owners Loan Corporation of Feb. 1, and will have ample opportunity to study the matter before it is considered at the mid-year meeting of the National Association of Insurance Commissioners in December.

Wisconsin, New Jersey, Missouri and West Virginia refused to sanction the deal, although New Jersey later reversed its position under a ruling of the attorney-general, and Superintendent Lucas of Missouri agreed to suspend judgment until Nov. 15.

Preparation of the contract began in December, 1939, and was signed by Feb. 1.

Sub-Committee Appointed

As the outcome of a discussion of the contract by the commissioners at their convention last June, a sub-committee of the fire committee was named to study the matter. The members are: Blackall, Connecticut, chairman; Pink, New York, Gough, New Jersey; McCormack, Tennessee; Sims, West Virginia, and Jordan, District of Columbia.

The committee met with representatives of the Stock Company Association here early in July, the upshot being agreement by the SCA to prepare a brief for the New York department, and to furnish copies to the officials in all other states. To aid in drafting the brief the cooperation of E. I. Taylor, vice-president of Century Indemnity, and of M. B. Ignatius of Ignatius & Stone, attorneys, was secured.

A short time ago representatives of the six states embraced in examination zone 3 met in Nashville, and declared their opposition to any agreement that permitted rebating or was otherwise discriminatory. This was set forth as a general proposition, and was not a specific challenge of the HOLC contract.

The Federal Home Loan Bank Board, having signed the contract with the SCA after extended study, is convinced of its entire legality and will support the effort of the carriers to convince the commissioners to that effect.

Points in the Brief

The Stock Company Association brief asserts that the 25 percent allowance to the HOLC "is to cover the cost of a service and valuable facility." The SCA denies that it is a discount, that it constitutes unfair discrimination and that it is a rebate.

"Were it a discount because of vol-
(CONTINUED ON PAGE 32)

London Insurance Man Tells Attitude

Letter Received by Detroit Insurance Group Offering Haven for Children

A group of Detroit insurance agents recently offered to take care of some British children for the duration of the war. One of the leaders of this group has just received a letter dated Sept. 6 from a London insurance broker, who was requested to convey the offer to various insurance people there.

"Since receiving your first letter," this London broker replied, "I have not failed to bring your generous offer to the notice of as many insurance men as possible. In the case of this office, all those men who have families have already decided to keep them in this country—some have not even removed them from London and this course, I find, is being pursued by a very large proportion of parents. Although unbounded admiration is expressed of your offer, our confidence in ourselves and in our country is equally unbounded and this, I think, is the crux of the whole matter.

"I have, in addition, brought your letter to the notice of the committee of Lloyds; it was also shown to the chairman of Lloyds and by this means it must have reached the knowledge of a considerable number of people, but, even so, there has not been any concrete inquiry.

Danger Still Not Sufficient

"I do hope that you will not be too disappointed at the lack of results so far. I am rather afraid that there may be none at all, but I can assure you that it will not be through lack of action or enthusiasm on my part. It is simply because, having carefully reasoned the question, parents have come to the conclusion, rightly or wrongly, that the danger is still not sufficient to warrant sending their children to the U. S. A.

"I hope that your press is not painting too grim a picture of the present state of affairs in England. So far as London is concerned, I can tell you that the damage so far done by bombing has been extremely small considering the vastness of the target, and in addition, it is somewhat erratic and apparently without any system or object other than to try and lower our morale, which, of course, it has not the faintest hope of doing.

"We have all learned with the greatest satisfaction of the new agreement which has been entered into between our two countries, and I, for one, am extremely glad of the way in which Great Britain and the United States of America at last, seem to be drawing closer together, and this feeling is shared by everyone I know. It is rather a dreadful thing that we should not have tried to forget our old troubles and difficulties before the world got into its present state of upheaval. I know that you will share with me the hope that this news will be the beginning of a lasting and close cooperation between Great Britain and the U. S. A."

Beating Green Bay Packers

HARTFORD—"How to Beat the Green Bay Packers in One Easy Lesson" is the title of a new visual sales portfolio on analysis-survey service announced to the agents of the National Fire group. Intended to be used during the interview to make clear to clients and prospects the values of an insurance analysis, the book draws a dramatic and appealing parallel between the teamwork essential in a winning football team and the coordination so necessary in a properly devised insurance program for either a business organization or a personal estate.

The Penn-Liberty of Philadelphia and the Illinois Fire have been licensed in Ohio.

Republican Group in Illinois Sets Goal of 200,000 Votes

The campaign of the Republican insurance committee of Illinois to rally votes for Republican candidates friendly to the agency system and state regulation of insurance was put in high this week with the distribution of 20,000 pieces of mail matter addressed to all



WALTER J. FLOREEN

insurance agents, brokers and life producers in the state. This was supplemented by full page advertisements in leading insurance journals. A goal has been set of 200,000 votes from Illinois insurance people and members of their families for the Republican candidates.

"We have good reason to expect to rally that number," Walter J. Floreen, chairman insurance division Republican state central committee, stated, "for our objectives have compelling attraction for the large majority of insurance people who realize the serious threat of federal control that confronts their business. The huge 'take' on politically coerced business that has grown to a racket of major proportions, is proving another effective prod to make insurance people politically conscious."

Mr. Floreen, who is associated with Rollins-Burdick-Hunter Company, Chicago agency, stated 1936 marked the first attempt to build a statewide political organization in the insurance industry.

"Insurance people, like many other business men," he said, "were reluctant four years ago to take active political action because of fear they might alienate some accounts. But this timidity has

National Association Men on Several Programs

NEW YORK—Payne H. Midyette, president National Association of Insurance Agents, will represent that body at the annual convention of the Wisconsin Association of Insurance Agents in Fond du Lac, Oct. 17-18; Illinois association, Rockford, Oct. 24-25, Indiana association, Indianapolis, Oct. 29-30. W. H. Menn, past president, will speak for the parent organization before the annual gathering of the New Mexico association, Santa Fe, Oct. 18-19; California association, Los Angeles, Oct. 28-30, and Arizona association, Phoenix, Nov. 1-2.

D. A. North, executive committeeman National association, was its representative at the annual gathering of the Maine association in Waterville, and will appear before the Rhode Island association in Providence Oct. 23, going to the Maryland association meeting in Baltimore the following day.

G. W. Scott, assistant secretary National association, is down for an address at the convention of the New Hampshire association in Manchester, Oct. 24.

been overcome on the part of many when they realized the serious inroads being made on their business by the politicians whom they had helped into office. They learned their reluctance to act politically instead of saving business was largely responsible for an ever increasing 'raid' by the politicians, and it finally dawned on them that the only force that could hope to stop the practice was themselves."

This timidity has been replaced by a militant spirit to organize and fight to the limit to destroy the political racket in the Illinois insurance business, Mr. Floreen commented. Forward looking insurance people of the state, he said, realize the evil practice has become deeply entrenched and that unless a fight is made at this time, it will be even harder to dislodge it in the future.

According to Mr. Floreen, there has been a heavy response in pledge cards, contributions, letters and personal cards to the committee headquarters in Room 1516 Insurance Exchange.

Mr. Floreen is vice-president and director of Rollins-Burdick-Hunter. He has been actively engaged in the insurance business for 32 years and is a member of the Chicago Board. Previously, he has had no political affiliation or activity.

Enters Premium Finance Field

The Cleveland Trust Co. has entered the field of premium financing and is granting accommodations on the basis of 5 percent simple interest. The procedure has been simplified and the transaction is easily accomplished.

Standard Policy Is Up for Further Talk

Hearing Was Held This Week by New York Department

NEW YORK—The claimed merits and reputed shortcomings of the revised standard fire policy to be offered at the next session of the state legislature, were discussed at a forum here; several hundred brokers and agents with a liberal sprinkling of company officials being present.

Julian Lucas, president of the brokerage house of Davis, Dorland & Co., and known as "The Daddy" of the proposed new policy, spoke in its advocacy; holding for the elimination of certain clauses that appear in the present contract, and which are waived in practice through endorsement. He maintained that the present policy which was adopted in 1918, should be modernized to meet present day needs.

J. J. Magrath Appeared

J. J. Magrath, secretary Federal and formerly head of the rating bureau of the New York department, appeared "as a mild critic" of Mr. Lucas ideas; declaring that no insistent demand on the part of the insuring public existed for a change from the present form. At the same time he conceded certain changes in the contract might be effected for the benefit of both insurer and insured, and argued the amendments be reached through a meeting of minds, and that this done be prior to the final drafting of the form.

J. F. Collins, present head of the rating bureau of the department, who found himself in partial accord with each of the previous speakers, recited some of the difficulties encountered by the legislative committee charged with revising the policy in endeavoring to harmonize the conflicting views and the interests of those concerned in the effort.

Superintendent Pink, who was to have served as chairman of the gathering was prevented from doing so, having been called to Albany to attend a meeting of the budget committee of the state; Deputy Superintendent J. D. Whelehan, serving in his stead. The forum, sponsored by the "Insurance Advocate," proved highly informative.

Tomlinson, Garvie Now Vice-presidents

Henry R. Tomlinson and Robert S. Garvie, both of whom heretofore have been secretaries of Aetna Fire, have now been elected vice-presidents.

Mr. Tomlinson went with Aetna Fire in the mailing department 42 years ago. He later became an examiner serving for 20 years. He was elected assistant secretary 10 years ago and secretary three years later. He has been associated with Vice-president J. M. Waller in the management of the southern department.

Mr. Garvie went with Hartford Fire in 1910 and joined Aetna Fire as special agent in 1923. For a time he was with the New England Exchange. He was called into the home office of Aetna Fire in 1933 and was made secretary in 1938. He has been associated with Vice-presidents T. J. Sloan and Guy E. Beardsley.

Women's National Committees

DENVER—Elsie B. Mayer of Denver, president of the National Association of Insurance Women, has appointed the committees. Chairmen are: Education, Ada V. Doyle, New Jersey; membership, Jean Smith, Los Angeles; publicity, Doris Mundt, Sioux City, Ia.; welfare, Helen Compton; employment, Erma Scottum, St. Paul.

THIS WEEK IN INSURANCE

Constitutionality of Montana counter-signature law is upheld by United States Supreme Court, which reverses opinion of three judge federal court. **Page 1**

Stock Company Association files brief in support of the legality of its contract with HOLC with the insurance commissioners of all states. **Page 1**

Conscription and war risk insurance problems are slated for discussion at the mid-winter insurance conference of the American Management Association in Chicago. **Page 1**

Insurance Commissioner Lucas condemns the Home Owners Loan Corporation insurance contract. **Page 1**

Further hearing on proposed changes in New York standard policy. **Page 4**

Fire losses for the first nine months are shown. **Page 10**

Substantial increase in ocean marine premiums is noted. **Page 3**

Poll of opinions on insurance business through research analysis suggested by David A. North at Maine Agents Association annual meeting to cure difficulties before they arise. **Page 3**

H. D. McNair elected president of Association of Superintendents of Canada at special meeting. **Page 3**

Officers and directors of National Association Independent Insurance Adjusters to meet in Wichita Nov. 16-17; committees are announced. **Page 3**

Grand nest deputies and committees are appointed by B. S. McKeel, most loyal grand gander. **Page 12**

Annual meeting of the Kansas Association of Insurance Agents is held at Hutchinson, Kan. **Page 16**

Senator O'Mahoney of Wyoming gives vehement address before the American Life Convention in Chicago. **Page 21**

Officers of the International Association of Casualty & Surety Underwriters and National Association of Casualty & Surety Agents are reelected at the White Sulphur Springs meeting. **Page 23**

Superintendent Pink of New York discusses state and federal regulation of insurance at the luncheon of the annual meeting of the Illinois chamber of commerce. **Page 21**

Cincinnati Accident & Health Association discusses current disability problems. **Page 21**

Ocean Marine Shows Substantial Gain in Premium Income

Unusual Conditions Have Contributed to American Companies' Increase

NEW YORK—Greatly increased imports of strategic defense materials from the far east and acquisition by underwriters in this country of a large share of the business formerly written in the invaded countries of Europe have resulted in a substantial increase in ocean marine business in this country for the year to date despite the almost complete loss of insurance formerly carried on commerce with Europe. Prospects are good for continuing this increased business unless the United States and Japan go to war. In that event the Japanese navy would be in a position to choke off trade between the East Indies and America for quite a time, at least.

The increase in premium volume is over and above the business done in war risk premiums. Part of the increased business is due to ocean marine rate increases, though the main reason is the increased volume of trade being covered. Much of the trade with the Dutch East Indies was formerly covered in the Netherlands, so it was quite natural that importers should insist that this be written in the United States. Importers doing business with the far east and elsewhere are tending to buy on a cost-and-freight basis rather than "C. I. F."—cost, insurance and freight.

South American Trade Helps

To a lesser extent than the far east trade the increased export volume to South America has helped insurance in the United States. Buyers in South and Central America are turning to this country for products which they cannot obtain readily or at all from Europe. Naturally the exporters insist on the insurance being written in the United States.

Outside of the South American export trade there has been an increase in exports to China, although the volume has been fairly steady for some time. Bombing of the Burma road by Japan threatens to cut into this trade severely.

If trouble with Japan does not put a crimp in the importing of defense raw materials, such as tungsten, tin, rubber and the like from the far east, the volume of this trade should continue large for some time to come, as enough materials must be imported not only to take care of manufacturing defense implements but to build up large enough stores to last through a long war.

Allen Mills Local Manager of Camden Fire

Allen M. Mills, formerly special agent for Camden Fire has been appointed manager of the home office local department.

Albert J. Bordeau has been appointed assistant manager and Thomas J. Howarth special agent in the same department.

Mr. Mills has been employed by Camden since 1931, having served in the Iowa-Nebraska field for several years prior to returning to the home office in 1938.

Mr. Bordeau has been with Camden since 1924 and Mr. Howarth since 1929.

J. E. Cryan Busy Crusader

Joseph E. Cryan of the farm department of America Fore was one of the

Adjusters to Meet in Wichita Nov. 16-17

Committee Appointments of Independents' National Organization Announced

Officers and directors of National Association Independent Insurance Adjusters will hold their mid-winter pow-wow at Wichita, Nov. 16-17. The meeting will be presided over by L. A. Horton, president, Oklahoma City, who this week announced the new committee appointments for the year.

The chairmen are: Representative on conference committee on lay adjusters, V. A. Nichols, Washington, D. C.; publicity and relationship, J. J. Hermann, Chicago; legislative, T. J. English, St. Louis; constitutional revision, James C. Green, Raleigh, N. C.; fire and allied lines, H. C. Nurnberg, Milwaukee; ethics and grievance, A. M. Foley, South Bend; casualty and allied lines, Robert Denton, Fort Wayne; membership, R. T. Gustafson, Omaha.

Horton Outlines Objectives

President Horton submitted to members a nine-page summation of the aims and purposes of the association. He said those in charge have sought to chart the course along constructive lines calculated to bring about proper correction of some old conditions and, since the organization meeting three years ago, have been proceeding cautiously. They have endeavored to build on sound principles and promote a constructive program.

There has been great care in selection of members with requirements sufficiently strict so as to be effective without being exclusive. There has been special attention to cooperation with other businesses and professions to bring about better understanding and this relationship is constantly improving, Mr. Horton said.

Outstanding among the changes this year is the plan to create separate sections for each type of adjuster. In furthering this there have been assigned to the four vice-presidents definite responsibilities, one in charge of the fire section, another of casualty and third miscellaneous. The fourth vice-president is J. C. Greene, Raleigh, N. C., who is executive vice-president. The other three are Ross Whitney, Chicago; C. E. DeWitt, Dallas, and C. A. Moore, Springfield, Ill.

It is hoped to develop groups with interests in common who can formulate programs best adapted to their particular needs, with all sections under the general administrative officers. It is the hope, President Horton concluded, that the association will mean as much to independent adjusters as the American Medical Association to the doctors and the American Bar Association to lawyers.

Commissioners' Meeting

John Sharp Williams, insurance commissioner of Mississippi and chairman of the executive committee of the National Association of Insurance Commissioners, called a meeting of the committee last Friday at the Edgewater Beach Hotel, Chicago, but was unable to muster a quorum. The new regulations make it incumbent on the executive committee to have a session between the annual and mid-year meetings and arrange the agenda for these occasions.

most industrious speakers in the field during National Fire Prevention Week. Mr. Cryan spent the week in Kentucky where he made 11 addresses to a total audience of 3,334. He made this speaking campaign as a representative of the agricultural committee of which Rush W. Carter, Aetna Fire, Chicago, is chairman.

McNair Is Elected Head of Canadian Superintendents

TORONTO—Hartley D. McNair, Ontario, was elected president of the Association of Superintendents of Canada at a special meeting. The annual convention which was originally scheduled for September was cancelled in view of existing war conditions, but a



H. D. MCNAIR

special meeting was held to dispose of business at hand.

Other officers elected were: Honorary president, W. J. Major, Manitoba attorney-general; vice-president, E. B. MacLachy, New Brunswick; secretary, W. E. McLean, Manitoba; assistant secretary, John Edwards, Ontario actuary; treasurer, H. B. Armstrong, Ontario deputy.

In view of present conditions, it was decided not to fix a definite date or place for the 1941 meeting, although it was tentatively agreed to hold it about the middle of September in some eastern city.

Many Subjects Discussed

In discussing fire insurance legislation, reference was made to the repeal of the one-year limitation in the Ontario act. All provinces except Alberta, British Columbia and Ontario have uniform legislation in force in this respect. British Columbia and Ontario have the legislation on the statute books but it has not as yet been proclaimed.

In discussing the statutory conditions regarding supplemental contracts, it was held that the Ontario act is not in effective form. It was decided to give this special consideration in view of the material submitted with respect to the interpretation of the term "risk" as it appears in that subsection and in the various statutory conditions and also in view of the possible conflict of certain provisions of supplemental contracts with the statutory provisions relating to war exclusions, co-insurance, "other insurance" and weather insurance. A special committee, consisting of Messrs. McNair, McLean and R. L. Jones, was appointed.

Personal Property Floater Viewed

A special committee composed of Messrs. McNair, McLean and Runciman was named to continue consideration of fire statutory conditions and to draft amendments to be submitted with further recommendations at the next meeting.

No action was taken on fire, marine and casualty definitions as it was decided that the matter would require further study.

Consideration was given the personal property floater pick-up endorsement

Poll of Opinion on Insurance Business Is Suggested

North Tells Maine Agents Meeting Era of Complacency Must End

WATERVILLE, ME. — Research analysis of public opinion about the insurance business perhaps should be undertaken in order to induce the public to express through such a medium the criticisms and suggestions which they now may be thinking but refraining from expressing, David A. North, chairman membership committee and member executive committee National Association of Insurance Agents, declared in a talk at the annual convention here of the Maine Association of Insurance Agents.

"How much will such public opinion be guided by statements which now are being made and which cast an unfavorable light upon our business?" he asked. "Will our own acts and our own abilities be sufficiently outstanding to have impressed themselves so securely upon the public mind that we will find favor in such a poll of opinion?"

"Will the importance of local agency service in the transaction of the insurance business in this country be so indelibly imprinted upon the minds of the public that we will have no fear for our future place in this picture, so long as we are willing to continue to grow with our business, and keep abreast of its many ramifications?"

Notes Complacency in Past

The agents, Mr. North said, in the past have been complacent in the belief that their problems were their own or their companies', that the insurance business

(CONTINUED ON LAST PAGE)

now in use in some cases. The committee was instructed to give further consideration to the matter of enforcement of the adoption of a proper form of pick-up endorsement to eliminate any uncertainty as to whether or not the insurance under the floater policy is contributory.

Must Discontinue Deductible

The \$50 deductible property damage endorsement for commercial and public automobiles was discussed. It was decided that the powers as to approval of forms by the superintendents did not extend to this form and the committee was instructed to advise insurers that the use of such a form must be discontinued.

The matter of war clauses in automobile insurance policies was referred to a special committee to draft a clause along the lines indicated in the report of the standing committee.

As three provinces are requiring quarterly returns as to agents balances and in two of these provinces some doubt existed in the minds of officials as to the value of the procedure, it was decided that the standing committee should be disbanded and that continuation of the returns be left to the discretion of each province.

Very little headway was made in discussions on the licensing and regulation of insurance agents. Provinces with no provision for licensing adjusters were urged to enact such legislation.

Write more accident and increase your income by reading **Accident & Health Review**—\$1 for six months, 175 W. Jackson Blvd., Chicago.

Hand Extinguisher Best Fire Fighter, H. W. Lange Claims

One of Three Speakers at Fire Control Meeting of National Safety Congress

The glamor of fire fighting, properly enough, is associated with the firemen who ride speeding red trucks while sirens clear the streets of traffic, but the fire extinguisher on the wall is the representative of the equipment that saves more lives and property than any other fire protection equipment, said H. W. Lange, assistant engineer Underwriters Laboratories, Chicago, at one of the meetings of the fire control and prevention section of the National Safety Congress and Exposition at the Stevens Hotel in Chicago. Fifteen percent of the fires upon which alarms have been given, he claimed, are extinguished before arrival of fire department equipment.

Quoting further statistics, Mr. Lange said that 50 to 90 percent of all fires occurring in industry are extinguished with hand fire appliances, and furthermore, 60 percent of the fires, which the fire departments are called upon to control, are extinguished with hand fire appliances. One large industry recorded over 3,000 fires during the period of a year, and all but two or three of these were controlled with hand fire extinguishers.

Fire Records Can Be Improved

These fire records can be improved, Mr. Lange continued, but certain precautions should be taken in regard to the use of hand extinguishers. Regular, intelligent and proper maintenance will guarantee working condition, successful application and safety for the operator and others, he said. Successful operation depends in large measure upon knowledge of the operator of the extinguisher's characteristics and the type of fire being attacked. The operator, he warned, should exercise proper precautions with regard to exposure to gases generated by fire.

T. A. Fleming, director of conservation National Board of Fire Underwriters, New York, in his talk before this group said that new manufacturing processes are making fire fighting more dangerous and complicated than ever before, as sometimes thorough drenching in water intensifies the fire or produces explosion.

In illustrating this statement Mr. Fleming said that one of the recent alloys which is being used in industry, particularly in modern airplane and automobile construction is a product called downmetal. It contains 90 to 98 percent magnesium, a metal which weighs only about $\frac{2}{3}$ as much as aluminum. This metal is highly combustible in the form of lathe turnings, thin sheets or grinding or polishing dust. Ordinary hand extinguishers, employing water, carbon tetrachloride, carbon dioxide and foam, should never be used on fires of this material, he said. Their application will intensify the fires and may cause an explosion. Sand, talc or powdered stone should be kept nearby as the best extinguishing agent that can be used immediately, he concluded.

Brown Discusses Spontaneous Ignition

The spontaneous heating of hay and the resulting fires, which cause an annual loss of \$20,000,000 in farm property in this country every year, was one of the fire loss items discussed by A. L. Brown, chief engineer inspection de-

partment Associated Factory Mutuals, Boston, who was the third speaker at this meeting.

It is estimated that in the United States about one in every 35 fires start by spontaneous ignition, Mr. Brown continued. Complete figures for 1938 show that the average loss resulting from spontaneous combustion in the United States and Canada was \$865, more than twice the average \$415 for all classes of fires, he said.

One reason for the high average cost of this kind of fire in all classes of property, he said, may be that spontaneous heating fires are less likely to be discovered promptly. It also seems reasonable, he concluded, to assume that conditions under which certain fires frequently start are such that automatic protection had not been provided.

Commercial Vehicle Section Panel

A panel discussion providing an opportunity for all delegates to quiz a board of experts on subjects relating to commercial vehicle safety, sponsored by the commercial vehicle section, was led by D. M. McCracken, director traffic and safety bureau Liberty Mutual and newly elected first vice-chairman of the section. There were five questions listed.

Some heated disagreement came from the first question: "Are truck heaters

hazardous?" One school of thought was against any form of heater. Many accidents were cited and their direct causes were blamed to heaters which had made drivers drowsy and sleepy. The opposing school, mostly made up of men in the long haul trucking business, claimed that heaters were a necessity, especially during the cold months in the north. They said that it would be physically impossible for any man to endure the cold weather without heaters and claimed that certain ventilating systems had been found practical, the most widely used being a vent in the top of the cab.

Then concerning the problem of carbon monoxide gas in connection with ventilation, it was generally agreed that the practice employed by the United States army of turning the exhaust pipe in front of the right back wheel, which in turn breaks up the flow, was the most satisfactory.

Should Drivers Smoke on Route?

On the question of whether smoking while driving should be permitted, it was stated that it would hardly be sensible to lay down a rule to the contrary, because most drivers do so to occupy their time on long hauls. The installation of electric lighters, which save the glare of a match, will do away with the fumbling for matches. Also, a little tray can be attached to the dashboard to hold cig-

arettes. It was emphatically stressed that drivers should be reminded frequently to put their cigarettes out before throwing them from the cab.

Those members of the group that had had experience with the recapped and retreaded tires, were generally agreed that they were safe when this thought was brought up on the question list. The whole difficulty is in finding an experienced shop that will adopt a strict set of standards for the selection of the tires. Tire manufacturers have gone into great research and seem to be the best equipped for this work. They have found that not a high percentage of tires are safe for recapping and less for retreading. The former seems to be the safest and most practical. It has been found that tires used indiscriminately before being recapped will eventually triple their mileage.

On the question of first aid kits being supplied with all trucks, the men were in 100 percent agreement on their usefulness. Before letting a driver use one, however, all trucking companies have made it a practice to train the men in first aid. The drivers must be taught to handle only those cases in which immediate first aid would be helpful. More complicated accidents should be left for the hospital units to handle.

There is always the angle of a legal

(CONTINUED ON PAGE 32)

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FIRE & CASUALTY INSURANCE LINES

Assessment Issue Arises Over New York Mutual on a Risk in Georgia

The United States district court for the middle district of Georgia had before it an interesting question involving assessment against a policyholder. A mutual company, organized under the New York laws and authorized to do business in Georgia, issued a policy to a Georgia resident. The policy provided for a flat premium and recited that it contained the entire agreement between the parties. Policies issued by the company in New York provided for the levying of assessments against policyholders but this provision was not contained in the policy here involved. Under the New York statutes, the company was to fix in its policies the contingent liability of each member and to provide for the payment of assessments in accordance with the law and the contract of each member. There is nothing, however, in the Georgia law which prohibits the issuance of a non-assessable policy by a mutual company.

Assessment on Georgia Holder

In the course of liquidation proceedings of the company in New York, an assessment was levied against the Georgia policyholder by the New York supreme court. In the case of Pink vs. Georgia Stages, the New York superintendent sought to recover the amount of the assessment. By way of set-off the insured pleaded its claim for losses covered by the policy and remaining unpaid.

The U. S. district court held that although the New York company had violated the laws under which it was organized in issuing this policy without the required provisions for assessment and contingent liability, this did not void the contract. The policy was issued in Georgia and was controlled by the laws of that state. There was nothing in the policy which operated to make the insured a member of the mutual company, and neither charter provisions nor statutes of New York state were binding on the Georgia policyholder, the court held. The policy was a flat premium, non-assessable policy, and the alleged assessment was not recoverable, according to the decision. The claim of the assured could not be set off against the claim of the company, but the court held that it could be presented in the liquidation proceeding.

C. J. Zimmerman to Speak

C. J. Zimmerman, Connecticut Mutual Life, immediate past president of the National Association of Life Underwriters, next Tuesday afternoon will give an address in the auditorium of the Chicago Board on "The TNEC Investigation and How It Affects Our Business." The meeting is one of the series of monthly meetings sponsored by Fred S. James & Co. Invitations to hear Mr. Zimmerman are being sent to the members of the Chicago Association of Life Underwriters, Insurance Brokers Association of Illinois, Casualty & Surety Underwriters Association, Accident & Health Association of Chicago, Chicago Insurance Agents Association and other groups.

Spoke to San Francisco Pond

Dr. Walter Morritt, lecturer, who has just returned from Central America and Mexico, addressed the San Francisco Blue Goose luncheon, Monday. R. L. Countryman, Coast manager of Norwich Union, presided. On Oct. 28, Judge Twain Michelsen of San Francisco will be the speaker at the luncheon.

Selbach & Deans Anniversary

SAN FRANCISCO—Agents of the general agency firm of Selbach & Deans are making a voluntary production effort to celebrate the 25th anniversary of its founding. Members of the firm are B. O. Selbach and William Deans.

California Local Agents Program Is Announced

OAKLAND, CAL.—Merchandising insurance, the future of the business and its markets, instruction on how to conduct a model office, and discussion of salesmanship in specific lines, will be features of the convention of the California Association of Insurance Agents at the Hotel Biltmore in Los Angeles, Oct. 28-30.

The program so far completed is as follows:

Monday Morning, Oct. 28

Call to order, H. I. Callis, Santa Barbara, president.

Address of welcome, Fletcher Bowron, mayor of Los Angeles.

Greetings from the Insurance Exchange of Los Angeles, W. B. Glassick, president.

Introductions—H. F. Mills, president Fire Underwriters Association of the Pacific; Charles A. Craft, president Pacific Board; Arnold Hodgkinson, general manager National Automobile Club; Rollo E. Fay, manager Pacific Coast National Bureau of Casualty & Surety Underwriters; Philip D. Richards, president California Association Insurance General Agents; Frank M. Ludwick, manager West Coast Automobile Insurance Conference; E. Pym Jones, president Insurance Brokers Exchange of San Francisco; W. S. French, chairman Society of Insurance Brokers; George H. Page, president California State Life Underwriters Association.

Report of the administration, Harold I. Callis.

"America Tomorrow," James Mussatti, general manager, California State Chamber of Commerce.

Address, Wm. H. Menn, Los Angeles, past-president National Association of Insurance Agents.

Monday Afternoon and Evening

Agency management and operation. Panel discussion, Ralph E. Bach of Bach & Co., San Diego, presiding. Those participating are: F. L. Adams, Fresno; G. H. Murch, San Diego; H. H. Hendren, Sacramento; Brooke Sawyer, Redlands. H. W. Semmelmeier, manager public relations Pacific Board, as commentator.

1. Insurance rates and premiums are steadily declining. If a local agency succeeds in retaining premium volume (gross income) it may be necessary to increase overhead to handle the additional accounts or policies. What methods can we employ to meet this situation and permit the agency owner or owners to receive an annual income commensurate with the required experience, energy and responsibility necessary to conduct a successful agency?

2. Can the one or two man agency profitably accept brokerage business or employ solicitors?

3. Compliance with the insurance code and the present enforcement program of the insurance department.

4. What is the present status of the insurance business originating in financial institutions? What can local agencies do to develop such business on a profitable basis or is it lost to us forever? Summary by Mr. Semmelmeier.

Get-together dinner and dance.

Tuesday, Oct. 29

Breakfast conference, rural agents committee, H. J. Thiele of Sacramento, presiding.

Model office operation conducted by W. B. Glassick of Hollywood, and Leo F. Pinnell, Huntington Park. A tour of these offices by Mr. Glassick and Mr. Pinnell will require 45 minutes.

Executive session for agents only. Question box in morning, reports of chairmen in afternoon, together with discussion of law enforcement program of insurance department.

Past-presidents' dinner with Elmer White, Oakland, national councillor, presiding.

Special afternoon session for executives and fieldmen of casualty and fire companies, under the auspices of the Southern California Fire Underwriters Association; Casualty Insurance Association of Southern California; Casualty & Surety Fieldmen's Association, with R. P. McGuire, president S. C. F. U. A., presiding.

Subjects—"Selling Safety," F. C. Lynch, secretary Greater Los Angeles Safety

Council; "Aviation Insurance," Ariel C. Harris, manager Aero Insurance Underwriters; "Facing Tomorrow," Ralph F. Yambert, president Ralph F. Yambert & Co.

Wednesday, Oct. 30

Greetings—C. A. Craft, R. E. Fay, E. Pym Jones, Arnold Hodgkinson.

Address, Harry Perk, Jr., Los Angeles. Address, Dr. T. H. Ross, director school of merchandising University of Southern California.

"Supplemental Coverages," Robert Saylor, Oakland.

"Automobile Coverages," Laurence Canfield, Santa Cruz.

Business Development Office facilities, Milton W. Mays, assistant director B. D. O.

Annual meeting and election California Association Insurance Agents in afternoon.

Greetings, H. F. Mills, P. D. Richards, F. M. Ludwick, George H. Page, W. S. French.

Address, J. W. Stevens, chairman insurance division Credit Managers Association of Northern and Central California.

"Personal Property Floater," R. M. Adams, Beverly Hills.

"Fidelity & Surety Bonds," speaker to be announced.

"Comprehensive Liability Policy," speaker to be announced.

"Tomorrow's Market," W. G. Gastil, manager Connecticut General Life, Los Angeles.

Annual banquet, Harold I. Callis, presiding.

Introduction of guests and committee chairman by W. B. Glassick, president Insurance Exchange of Los Angeles.

Presentation of W. H. Menn trophy to local association making outstanding achievement.

Installation of officers, W. P. Welsh, Pasadena.

Address, Dr. Frederic P. Woellner, University of California, Los Angeles.

Corn Loan Premiums Are Running Higher This Year

DES MOINES—Iowa agents are finding the present corn resealing program more profitable with ordinary corn certificate premiums averaging about \$6 as compared with \$2.35 average premiums in the past. Principal reason for the increase is the program of allowing two year certificates.

The peak of the resealing program is expected to be reached shortly with the time limit on the loan certificates extended from Oct. 15 to Oct. 31.

The 1938 corn which was the center of the controversy last year is now required to have insurance under the present program. A large share of the 1938 corn which was re-sealed without insurance last year must now carry insurance as well as 1939 corn which is being resealed. The 1937 corn cannot be resealed and must be liquidated by the farmer.

Under the present program the resealed loans do not have to go through local bankers as in the past and the program has thus been accelerated.

The new crop in Iowa is about ready for harvest and favorable weather conditions is expected to aid in getting the 1940 corn loan program under way earlier than usual. The corn is reported as very dry and unless unfavorable weather sets in it can be sealed more rapidly this year.

Loss Men Start Season

The Western Loss Association held its first fall meeting, at which Elmer Nordgren, Fireman's Fund, president, presided, with 19 members in attendance. H. T. LaMonte, Chicago office Insurance Company of North America, was elected to membership. He replaces S. L. Nelson from that office who is being recalled to the home office in Philadelphia. Mr. Nelson is one of the original members of the association.

Illinois Speaker



LAURENCE E. FALLS, Newark, N. J.

Vice-president L. E. Falls of American will be one of the top line speakers at the annual meeting of the Illinois Association of Insurance Agents at Rockford Thursday and Friday of next week. He is president of the National Automobile Underwriters Association and is regarded as one of the foremost thinkers in insurance.

Palmer's Situation in Illinois Is Uncertain These Days

Much interest is taken in the position of Insurance Director Palmer of Illinois in view of the death of Governor Horner and the assumption of office by Governor Stelle. Apparently when Stelle took office the various members of the state cabinet offered routine resignations so as to give the new governor a free hand. However, it appears that Mr. Palmer did not submit such a resignation at that time. In the past day or two, however, it was stated officially in Springfield that Mr. Palmer's resignation had been received. Mr. Palmer declined to make any statement and Governor Stelle was quoted as saying that he was "too busy" at the moment to consider the Palmer situation. It is well known that the relations between Mr. Palmer and Mr. Stelle have been strained for some time.

Some observers believe that although Stelle for personal reasons might be disposed to remove Mr. Palmer at this time, even though there is only about two months left of his term, yet he is likely to be deterred by the possibility that such action would produce political repercussions adverse to the Democrats just before election. One of the accomplishments that has been frequently cited by the Democrats in Illinois has been the aggressive administration of the insurance department and should the insurance director be removed at this time, the Republicans might be given an opportunity to charge that the Democrats were repudiating everything that had been done by the insurance department. Just the other day at the luncheon of the insurance section of the Illinois Chamber of Commerce in Chicago, Superintendent Pink of New York spoke in the highest terms of Mr. Palmer and the Illinois department and that eulogy was widely quoted.

The Republican Insurance Committee of Illinois issued a statement from Dwight H. Green, candidate for governor, answering rumors that no matter who was elected Director Palmer would remain as head of the insurance department.

"I have made no commitments," Mr. Green said, "or promises, either directly or by implication in connection with any position or appointment from the highest to the lowest within the power of the governor."

NEWS OF FIELD MEN

Fireman's Fund Makes Appointments in Mid-west

Fireman's Fund has opened a service office at 314 Frederick Schmidt building, Cincinnati, in charge of John T. Even, engineer special agent.

Since graduating from Armour Institute of Technology as fire protection engineer, Mr. Even has served in the rating department of the Chicago Board,



JOHN T. EVEN

subsequently spending five years in assisting large metropolitan agents in the production of business, and has built up an excellent reputation in combating mutual competition.

Mr. Even's duties will be assisting agents in Cincinnati and southern Ohio along production lines. The Cincinnati service office will augment the services of Special Agent K. J. Hoag, who will continue to handle the territory with headquarters in Columbus.

Fireman's Fund has also appointed Roy P. Jensen special agent for Detroit and Wayne county, associated with Wayne County Manager Paul M. Britton.

Mr. Jensen graduated from Armour Institute and then was employed by a Chicago agency as engineer for five years. He later became production engineer for Royal-Liverpool in New York, was transferred to Michigan, where he assisted agents in that state. In 1938 he became associated with the Michigan Insurance Agency, which he has been serving up to the present time.

Demand for Speakers in Michigan

DETROIT—Since the announcement of the formation of a speakers' committee by the Michigan Fire Underwriters Association, President R. J. Price, New York Underwriters, reports many requests for speakers from luncheon clubs, civic organizations, schools, etc. Mr. Price is sending out a hurried call to his members to join the public speaking class that will be started in November in order to prepare themselves for meeting these engagements. W. L. Friedman, Underwriters Service, is in charge.

Hear Florida Governor-Elect

TAMPA, FLA.—The Florida Blue Goose held a luncheon here attended by about 130 members and invited guests. The speaker was Governor-elect S. L. Holland. He was introduced by Most Loyal Gander William Lee Reynolds, who was a college mate of Mr. Holland. Many of the field men brought as their guests local agents.

A monthly meeting of the field conference was held in the morning.

Iowa Blue Goose Meets

DES MOINES—J. W. Strohm, Iowa fire marshal, reported to the Iowa Blue Goose on Fire Prevention Week activities. J. H. Bunten, most loyal gander, announced that the pond will hold a meeting the afternoon of Nov. 7 at Waterloo prior to the H. Verne Myers

duck dinner that evening. Several candidates will be initiated.

Bill Brown, sports announcer of radio station WHO, will speak Oct. 21 and motion pictures will be shown at the Oct. 28 meeting.

Winter's Address Postponed

The address which H. P. Winter, America Fore, was to deliver next Monday before the Ohio Stock Fire Insurance Speakers Association has been postponed to Oct. 28. Next Monday a debate will be given on a subject pertaining to field men representing single companies and those representing fleets. Participating in the debate will be J. A. Neilan, Norwich Union; R. J. Gray, American Eagle; J. D. Lecky, Jr., Royal Exchange; R. H. Dunbar, Home; W. L. Cowan, New York Underwriters; R. W. Tyler, America Fore.

Steidel Moved to Philadelphia

R. T. Steidel of Hartford, special agent of Travelers Fire, has been transferred in the same capacity to Philadelphia. He was with the Phoenix of Hartford 1923-1926, then went with the eastern department of Travelers. He advanced from one underwriting position to another, and had supervision over Philadelphia territory for several years, before being assigned to Hartford.

Anthracite Field Club Muster

The Anthracite Field Club will hold its October meeting next Tuesday at the Hotel Casey, Scranton, Pa. The guests will be the football board of strategy of the University of Scranton. Following the dinner pictures of the "Orange Bowl" day classic held at New Orleans, Jan. 1, between Tennessee and Oklahoma will be shown.

Farewell Party for Nolen

NASHVILLE, TENN.—W. L. Nolen, for 10 years Tennessee state agent of the North British & Mercantile group, who has been transferred to Detroit by the North British, was given a farewell party by the Tennessee Blue Goose, Fire Prevention Association and Fire Underwriters Association. He is succeeded in Nashville by George M. Egbert, former special agent of Aetna Fire.

Ill. Fire Underwriters Meet

The quarterly meeting of the Illinois Fire Underwriters Association was held in Chicago with President D. M. Vance, state agent Royal-Liverpool groups, Bloomington, presiding. A motion picture on the grain elevator fire was shown. Harold Greenberg, general adjuster Western Adjustment, made arrangements.

The 1941 annual meeting will be held June 19-20 at Lake Lawn, Delavan Lake, Wis.

Field Men Hear Surety Talk

LOS ANGELES—L. E. Hed, superintendent of bonding of the Los Angeles office of the Fidelity & Casualty, addressed the Southern California Fire Underwriters Association, giving some interesting facts on surety matters. Roy O. Elmore, assistant secretary Pacific National Fire, and V. S. Kerans of Corroon & Reynolds spoke on B. D. O. activities.

Hal Johnston in Company Post

DENVER—Hal Johnston, inspector for the Mountain States Inspection Bureau for the last 2½ years, has accepted a position in the service office of the North America at Omaha.

NEWS BRIEFS

Liberty, Ind., will be inspected Nov. 7 by the Indiana Fire Prevention Association.

The Iowa Fire Prevention Association is conducting an inspection at Storm

WHO owns Your furs?

The Alliance national advertising this month poses this thought-provoking headline, then proceeds to remind the readers, that while they own their Furs now, they may not own them tomorrow or next week.

The message points out that Fur insurance costs little, yet provides protection from loss or damage from practically any cause. With this thought implanted, the reader is urged to:

"Ask the Alliance Agent"



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Lake, Oct. 23. The speaker will be Harry K. Rogers.

Jamestown, N. D., will be inspected Nov. 14-15.

The Pine Tree State Field Club at its fall meeting in Portland, Me., elected seven new members and laid plans for a program of public relations and education in cooperation with the Maine Association of Insurance Agents.

The British Columbia Blue Goose took active part in Fire Prevention Week. Maj. S. F. Moodle, provincial civilian protection officer, spoke at a luncheon on fire prevention.

The San Francisco Blue Goose heard a talk on the crisis in the far east, and particularly in the Dutch East Indies, by Sol Silverman, publisher Jewish News-Magazine.

The Birmingham, Ala., Blue Goose will hold a costume barn dance Oct. 18. Prizes will be awarded for the winning costumes, also for the best square dancers.

NEW YORK

FIRE PREVENTION WEEK FEATURES

The National Board arranged with the management of the New York fair a special program at the Lagoon of Nations show for three different nights of Fire Prevention Week. In addition the following large exhibitors cooperated by making announcements at intervals during the week in connection with their regular program: Railroads on Parade, Goodyear, Firestone, Chrysler, Ford, Westinghouse, General Electric, Carrier, National Biscuit and duPont.

The National Board also arranged for a special setup of its Fire Prevention Week poster to be displayed in every subway car for the seven days preceding Fire Prevention Week as well as during the week itself. In order to place a poster in each car, 8,150 were supplied to the city board of transportation. It is estimated that 78,400,000 subway riders saw the poster during that period.

LISTING CONSCRIPT ELIGIBLES

Home and department offices of insurance companies are now receiving applications from men beyond military conscription age who are out of work or who desire to make a change, asking to be considered if there is a demand for additional talent after the young men are called out. There are a number of examiners, accountants and others versed in different lines of work who have no position now but in case many young men are called out there may be an opportunity for them to secure employment.

Offices are now making a list of all men subject to military draft, studying which ones are likely to be deferred or excused and studying the situation as to those that may be called out.

CENSORSHIP ON FOREIGN TALKS

An idea of the difficulties which United States representatives of Continental European companies encounter in seeking to contact their head office officials, is the experience of an executive in New York City the other day, who in a half-hour telephone conversation had to wait until the talk was checked by an Italian government representative at Milan and forwarded by the latter to Berlin, where it was censored before it was allowed to reach its destination. All radio and telephone calls save those to Great Britain are accepted here with the express stipulation that they are subject to interference by the governments through which the messages pass. Cable and telephone communications to Great Britain are freely accepted by the utility companies and the service is prompt and reliable. No doubt all contacts are closely checked by censors on the other side, but as yet there has been no complaint on that score. Britain, however, will

not accept messages for Continental Europe, these having to go from this city via Italy, or certain stations in unoccupied German area of France.

STONE TO ADDRESS BROKERS

At the dinner of the General Brokers Association of Metropolitan District, Inc., in New York, Oct. 23, this year's gold medal of the association will be presented to Leonard L. Saunders of Albany, executive secretary of the Insurance Federation of the State of New York. This will be in recognition of

"17 years of continuous and effective service at Albany in the interests of entire institution of insurance." Presentation will be made by George S. Sullivan, the president.

The speaker of the evening will be Edward C. Stone, United States general manager and attorney of Employers Liability. He is expected to treat the subject of compulsory automobile insurance which is particularly timely in New York just now. Mr. Stone is an authority on the subject and comes from the only state in the union that has such

a law.

The toastmaster will be Vincent Cullen, president of National Surety.

INSURANCE SYMPHONY POPULAR

The Insurance Symphony Society of New York, an organization of musical talent from underwriting circles, opened rehearsals for the fall season. The success of a public concert given last April has induced many new instrumentalists to apply for membership. The conductor for the new season is Joseph Bobay, Guardian Life a graduate of the



PHOTO BY GENDREAU

That's quite a picture, isn't it? A cute kid, a trusting squirrel and a nice bit of photography—all blended to preserve a scene we'll bet you wish you could have shot with your own camera.

Of course, the striking part about that picture lies not so much in what it actually portrays as in what it suggests. The innocence of all little boys, for instance. And the natural friendliness of most of our animal friends. The unseen elements are what "make" that picture.

In a large sense, the unseen elements are what determine the success or failure of company-agency relationships. The helpfulness of fieldmen. The dependability of all office executives. The basic knowledge and understanding of problems whose solution cannot be found in manuals or text books. These are unseen things, intangibles.

But they are the very fabric out of which successful agencies, representing first rate companies, are created.

Only companies which can claim a full share of these business-like, profit-producing intangibles can sincerely invite the confidence, respect and co-operation of progressive agents today. Ours is such a company.

THE MANHATTAN

Fire and Marine

99 John Street

New York City

Juilliard School of Music and well known in musical circles throughout the metropolitan area. R. W. Gilbert, Yorkshire, is chairman.

FIRE EXAMINERS HEAR BIELASKI

Attendants at the meeting of the Fire Insurance Examiners Association Tuesday evening, heard A. Bruce Bielaski, head of the arson investigation bureau National Board, tell of the work of his organization in investigating suspicious fires and tracking arsonists. He learned the operating methods criminals use while he was connected with the Department of Justice, which he joined in 1905 becoming its chief seven years later. His reputation in this post was responsible for his appointment to the present post some years ago.

NEW RENTAL VALUE FORM

The New York Fire Insurance Exchange has adopted rate, rule and form for rental value premium adjustment coverage. It is somewhat similar to the plan that has been available on the Pacific coast for about a year and a half. It is understood that the New York form will soon be approved by the New York Fire Insurance Rating Organization.

The form is intended for use in connection with leases on percentage of income, but may also cover where partial or no percentage lease is involved.

The rate is 66 percent of the building rate which is 10 percent above the usual rent rate. The policy must be written for a term of not less than three years. Annual reports of rental values must be given and the provisional and final adjusted premium shall be at least \$50.

The form may apply to any portion of the building provided the insuring clause affirmatively describes the portion of the building that is covered. It may cover rented and vacant portions only, vacant portions only or rented or occupied and vacant portions provided the insuring clause affirmatively describes the cover intended.

FIRE LOSSES FOR NINE MONTHS

Fire losses of the country last month, the National Board reports, totaled \$21,198,000, greater by 2 percent than those of August, but 7 percent less than in September, 1939. The addition of the latest figures increases to \$232,292,380 the loss record for the first nine months of the year. The figures are:

	1938	1939	1940
Jan.	\$ 27,676,337	\$ 27,615,316	\$ 36,260,650
Feb.	26,472,626	29,303,520	34,410,250
Mar.	29,050,968	30,682,168	29,788,800
Apr.	25,616,112	27,061,522	26,657,190
May	22,917,577	27,031,700	23,446,590
June	19,473,617	24,190,700	19,506,000
July	20,434,688	22,468,304	20,322,800
Aug.	20,821,184	22,800,500	20,722,100
Sept.	23,372,528	22,837,250	21,198,000

Total
9 mos. \$215,835,637 \$233,990,980 \$232,292,380

BERK HANDLES SUN ACCOUNT

Harry A. Berk, Inc., has been appointed to direct the advertising of Sun.

Friday, Oct. 18, at 12:15 p. m., Neilson Edwards, insurance broker, will speak for **Wendell Willkie** in the square at the intersection of Liberty street and Maiden Lane in New York City in front of the headquarters of the downtown "New York Insurance Club for Willkie." Miss Caroline Haas will sing.

FBI Asks Aid of Brokers

Cooperation of insurance brokers throughout the country in reporting evidence of sabotage and subversive activities which they encounter in the course of their daily work has been requested by the Federal Bureau of Investigation. The FBI believes that brokers have particularly valuable knowledge that can be helpful in bringing to light the operations of spies and saboteurs in essential industries. The FBI has requested brokers' associations throughout the country to notify members that their assistance is needed and to appoint committees.

Automobile quotation blanks increase sales. Write Reprint Department, National Underwriter, for samples.

AS SEEN FROM CHICAGO

REDMOND TO MARSH & McLENNAN

R. M. Redmond, engaged for 27 years in the brokerage business in Chicago, the last 12 as head of Redmond & Co., specializing in extra hazardous risks, will become associated with Marsh & McLennan in the Chicago office. He is recuperating from a recent illness. Mr. Redmond was from 1934-36 president Insurance Brokers Association of Illinois, and it was during this time he was engaged in helping with the recodification of the insurance laws of the state. In 1937 he was a delegate from the National Association of Insurance Brokers to the international convention in Paris.

WISCONSIN FELLOWSHIP RALLY

The Wisconsin Fellowship Club, composed of old time Wisconsin field men, will hold its annual luncheon in Chicago, Oct. 22. That evening the Life Members Society of the Northwest Association will have its annual roundup. H. L. Dalton, adjuster of Milwaukee, is president of the Wisconsin group. Clark Munn, Cook County Loss Adjustment Bureau, and P. H. Metzger, London & Lancashire, constitute the committee on

arrangements. Mr. Metzger is secretary of the organization.

HAIL PEOPLE TO MEET

The advisory committee of the Western Hail Association will meet in Chicago, Nov. 7, to study the experience of this season and make any changes desirable for next year. The hail companies had a very satisfactory year. J. B. Cullison of the Rain & Hail Insurance Bureau is chairman. The annual meeting of the Western Hail Association will take place in Chicago, Dec. 3, and will be presided over by J. H. Macfarlane, secretary of the America Fore in its western department, who is president.

SECURITY'S OFFICE NOW OPEN

The new Chicago office of Security of New Haven in A-1932 Insurance Exchange is now in operation. The general manager is J. J. Hubbell, who is transferred from the head office. Also attached to the office are Ralph G. Tanger, western marine representative, and Joseph H. Wilson, Illinois field man, who was formerly located at Decatur.

John Porick, who has been connected

with Hanover, is joining Security in the Chicago office and will handle underwriting. He is president of the Insurance Examiners Association of Chicago, which is holding its annual managers night dinner Thursday of this week.

The Chicago office is equipped to handle country-wide brokerage, reinsurance and to supervise the production of business in the western states.

BROKERS CONSIDER AMENDMENTS

Three amendments to the constitution of the Insurance Brokers Association of Illinois will be considered at the annual meeting to be held in the Chicago Board auditorium the afternoon of Oct. 29. Most important, perhaps, is a new section 2 limiting active membership to any natural person, firm or corporation who is an insurance broker or solicitor, a citizen of this country and at least 21 years of age with principal place of business in Illinois; licensed as an insurance broker by the Illinois department, "provided always that there is a suitable statute requiring this license;" licensed to do an insurance business by local authorities of the district, city or town where he maintains his principal office, also provided there is a suitable law or ordinance requiring his license; with business income derived principally from the placing of insurance with others for which he is reimbursed solely by com-



X PLUS Y EQUALS Y PLUS X . . .

Sell your customers the fundamentals of arithmetic! Convince them that for every dollar they give you for insurance they get in return a dollar's worth of service and protection. . . Doesn't this mean that you'll have to study their insurance needs harder in order to be in a position to protect them better?



HIO FARMERS
INSURANCE COMPANY • Chartered 1848

Le Roy, Ohio

mission, and "unhampered by contracts (verbal or written), or connections which in the judgment of the board of directors are adverse to the interest of the association or the good practices of the insurance brokerage business." A new section 1 creates associate members in addition to active, and a new section 3 provides that associate members shall have all privileges except that of the vote and holding office, and that they shall be at least 21 years of age, licensed by Illinois as insurance brokers, with business income derived substantially from the placing of insurance with others and reimbursed solely by commission, unhampered by verbal or written contracts, etc.

There will be discussion of a plan to bond members which is a pet project of President C. E. Nolan, designed to enhance the brokers' prestige. Six directors for three-year terms and one for one year will be elected. The new board after a week or more will meet to elect new officers.

It was reported that at a luncheon of the association, H. A. Miller, special deputy Illinois department, explained its position on automobile insurance to the effect that unless similar risks were given the same rate there would be discrimination. Mr. Miller was the guest of the luncheon but did not speak. President C. E. Nolan gave a report as to the suit brought by the brokers and the department ruling on equity and retrospective rating of automobiles. Mr. Miller did not make any comment one way or the other.

Harvey Hopp, office agent for Travelers in Chicago, a reserve officer, left this week for service in Texas. He is a captain. **Russell Bergstrom**, counterman in the Chicago office, a lieutenant in the reserve force, has been called for service.

Max Cahn has resigned as an examiner in the western department of Aetna Fire to enter the heating and ventilating business. His father was the late Stacy M. Cahn who was in the Illinois field for Aetna Fire for many years.

Ark. Claim Is Approved

Payment of a claim for \$1,000 by Commissioner Harrison of Arkansas to reimburse him for a payment to U. A. Gentry, former insurance commissioner of Arkansas, has been approved by the Arkansas state claims commission. The payment was in compromise of a judgment for salary which Mr. Gentry secured. Mr. Gentry refused to resign as commissioner at the demand of the governor but Mr. Harrison was appointed and the salary checks went to him. Mr. Gentry got judgment in court against Mr. Harrison for the salary up to the time his office was abolished by the legislature and they agreed upon a compromise.

Developments in Mo. Cases

KANSAS CITY—The three-judge federal court has taken under advisement the arguments of attorneys for T. J. Pendergast, former political boss; R. E. O'Malley, former Missouri insurance superintendent, and A. L. McCormack, St. Louis insurance man, that they should not be held for trial on a charge of conspiring to impose fraud on the court in the Missouri fire rate case settlement. The district attorney was given until Oct. 24 to brief his arguments, and attorneys for the defendants were given until Oct. 28.

The hearing on the fire companies' motion for a rehearing of the three-judge court's decision to return all impoundment to policyholders, scheduled for Oct. 12, was postponed until Nov. 7.

In the state court here trial of Pendergast on a charge of bribery, and of O'Malley on a charge of accepting a bribe, was continued until Nov. 11. It was indicated that McCormack has refused to testify until the contempt proceedings in the federal court were concluded.

MAIL REFUND CHECKS SOON

JEFFERSON CITY, MO.—The latest information from the insurance de-

partment of Missouri is that the 500,000 Missourians entitled to share in the \$1,651,986 of impounded fire insurance premiums which the Missouri supreme court has said belongs entirely to the policyholders may expect a refund check within the next six months—if Uncle Sam's postmen can find them. Those who have moved since 1935, should send new addresses to the department, but it is not necessary to make an application to share in the refund.

Effective Home Safety Campaign

The agricultural committee of the National Fire Waste Council carried out

again this year an effective fire prevention week program under the direction of I. D. Goss, farm manager of America Fore, who is chairman of the publicity committee. This year the committee prepared a "Home Safety Guide" which was put in mat form by the National Board. Editors and publishers of newspapers and farm journals were personally contacted through the special agents of Farm Underwriters Association companies, state fire marshals, local fire chiefs, and others with the result that the guide to safer homes was published in hundreds of papers throughout western territory. A similar effort last year resulted in placing the com-

mittee's fire prevention suggestions in 1,600,000 homes and it is believed that the circulation this year has exceeded that figure.

A copy of this home safety guide was furnished to the fire marshal of the province of Quebec, Canada, at his solicitation and he advised that it would be given circulation both in French and English.

T. Alfred Fleming, conservation director of National Board, addressed the Greater Buffalo Advertising Club and the Credit Association of Western New York in Buffalo on fire prevention.



BULWARKS OF *Our National Safety*

IS not our national strength reflected to a considerable degree in the soundness of American business institutions?

That being so, these two strong American fire insurance companies, deeply rooted into American life and tradition, represent a part of that bulwark upon which our national safety rests.

PREPAREDNESS is not a new word to those responsible for the development of Millers National in the past, nor is it to its present management. Policyholders' security has always come first in its conduct of business.

So today the financial statements of both Millers National, and its companion company, Illinois Fire, disclose these things—a high degree of liquidity, strong reserves, high grade investments—all of which are strong preparedness measures.

As an American insurance agent safeguarding the nation's resources in your community, the **PREPAREDNESS** of these companies is offered to you for your serious consideration.

MILLERS NATIONAL Insurance Co.
Home Office: CHICAGO * Established 1865

ILLINOIS FIRE Insurance Co.
Home Office: CHICAGO * Established 1876

Service Headquarters for Alert Agents



Grand Nest Committees and Deputies Are Appointed

NEW YORK—B. S. McKeel, most loyal grand gander of the Blue Goose, has announced new grand nest appointments:

Deputy most loyal grand ganders, Canada: Central district, F. G. Chandler, Toronto; eastern district, S. F. LeRiche, Montreal; British Columbia, B. W. Heyer, Vancouver; Manitoba, J. M. Smith, Winnipeg.

Deputy most loyal grand ganders-at-large: Virginia, North Carolina, South Carolina, Georgia, Florida and Alabama, K. R. Smith, Raleigh, N. C.; Kentucky, Tennessee, Arkansas, Mississippi, Louisiana, Oklahoma and Texas, Leon McGilton, Nashville; Canada, F. E. Dufty, Montreal; western states, W. R. Fritz, Portland, Ore.; central states, R. E. Vernor, Chicago; eastern states, P. M. Fell, Philadelphia.

Deputy Ganders Selected

Deputy most loyal grand ganders: Virginia, North Carolina and South Carolina, R. H. Lewis, Greensboro, N. C.; Georgia and Tennessee, C. R. Willcoxson, Atlanta; Alabama and Florida, G. E. Edmondson, Tampa, Fla.; Mississippi and Louisiana, J. L. White, Jackson, Miss.; Kentucky and Arkansas, I. J. Holmgren, Louisville; Texas and Oklahoma, C. L. Beale, Dallas; Oregon and western Washington, D. G. Allen, Portland, Ore.; eastern Washington and northern Idaho, C. R. Kerns, Spokane; Utah, southern Idaho and Montana, G. P. Mang, Salt Lake City; northern California, D. M. Christian, San Francisco; southern California and Arizona, L. E. Colburn, Phoenix, Ariz.; Colorado, Wyoming and New Mexico, R. M. Hill, Denver; Minnesota and the Dakotas, J. E. Jackson, Minneapolis; Ohio, A. C. Guy, Columbus; Indiana, A. W.

Schmadeke, Indianapolis; Iowa, J. H. Buntin, Des Moines; eastern Missouri, P. A. Schmuck, St. Louis; Illinois and Wisconsin, J. E. Guy, Chicago; Kansas, W. F. Ehret, Wichita; Nebraska, Gordon Beals, Omaha; New York, excluding New York City, and New England, S. R. Howard, Newark; New York city, eastern Pennsylvania and New Jersey, F. L. Bross, Newark; Maryland and District of Columbia, E. S. Windsor, Baltimore; West Virginia and western Pennsylvania, Herbert Fahlgren, Parkersburg, W. Va.; Hawaiian territory, H. A. Truslow, Honolulu.

Other Appointments Made

Judge advocate, H. O. Wolff, Milwaukee; jurisprudence committee, H. O. Wolff, chairman, Milwaukee; J. E. Rose, Vancouver, B. C.; E. E. Hensley, Los Angeles; constitution and by-laws committees: J. E. Simoneaux, chairman, New Orleans; D. A. Hanson, Montreal; C. V. Templeton, Jr., Great Falls, Mont.; R. W. Hukill, Norwood, O.; J. R. Knowlan, Philadelphia. Ritual

committee, J. M. Harrison, chairman, Atlanta; E. J. Beauvais, Montreal; E. W. Trenbath, Seattle; C. U. Hendrickson, Omaha; Arthur Bachman, Newark.

Memorial committee, R. L. Spaulding, chairman, Asheville, N. C.; N. G. Cummings, Toronto; Capt. W. A. Groce, Spokane; A. S. Snow, Columbus, O.; Walter Munns, Philadelphia; emblem, W. T. Benallack, chairman, Detroit; E. H. Stover, Richmond, Va.; R. J. Creighton, Calgary, Alta.; Ray Alderman, Los Angeles; C. A. P. Johnson, Boston; educational, Claude Boykin, chairman, Birmingham, Ala.; S. L. Sterling, Winnipeg; H. P. North, San Francisco; H. A. Paulson, Fargo, N. D.; E. V. Judge, Syracuse; publicity, M. R. Magruder, chairman, Atlanta; southwest, J. G. Levey, Houston, Tex.; south, J. B. Chapman, Jackson, Miss.; southeast, J. F. Satterlee, Columbia, S. C.; Canada, N. F. Jardine, Toronto; western, Jack Piver, San Francisco; central west, C. M. Cartwright, Chicago; Pennsylvania and Maryland, L. R. Snyder, Philadelphia; New York and New England, excluding New York City, R. E. Richman, Boston; New York City and New Jersey, W. S. Crawford, New York.

Use automobile quotation blanks to increase premiums. Write Reprint Department, National Underwriter, for samples.

Willkie Group Is Circularizing Policyholders

The People's Committee to Defend Life Insurance & Savings is the title of an organization that has been set up at 1520 Locust street, Philadelphia. Harry W. Harrison of Philadelphia is chairman. The committee is circularizing policyholders with a pamphlet, "Your Life Insurance and Savings are at Stake in the Coming Election," this being in the interest of the election of Wendell Willkie. State committees are being formed to provide local sponsorship for the leaflet and the committee is seeking contributions to finance the mailings. It is stated that a contribution of \$1 will pay for circularizing 50 policyholders.

The only life insurance man who is listed as a member of the committee is Ernest W. Travis, agent for Equitable Society at Youngstown, O. A number of fire insurance men, however, appear as members, they being W. W. Boyer, president Austin Mutual of Minneapolis; John Cottrell, president Farmers Mutual of Marysville, Kan.; Jule M. Hannaford, Jr., Hannaford-O'Brien agency, St. Paul; Charles H. Keating, president Lumbermen's Mutual of Mansfield, O.; B. M. MacDougal, president Providence Mutual Fire; F. M. Smalley, president Glens Falls.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Oct. 14, 1940

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	118	123
Aetna Fire	10	1.80*	48 1/2	50 1/2
Aetna Life	10	1.40*	27 1/2	29
Agricultural	25	3.25*	71	75
Amer. Alliance ..	10	1.20*	21	22 1/2
Amer. Equitable ..	5	1.00	17 1/2	19
Amer. Home	10	...	5 1/2	7
Amer. (N. J.) ...	2.50	...	12 1/2	14
Amer. Surety	25	2.50	47	49
Automobile	10	1.40*	37	39
Balt. Amer.	2.50	.40*	7	7 3/4
Bankers & Ship. ..	25	5.00	93	97
Boston100	21.00	595	615	
Camden Fire ..	5	1.00	20	22
Carolina10	1.30	28	30	
Contl. Cas.	5	1.20	33	35
Contl. N. Y.	2.50	2.00*	36	38
Fidelity-Phen. ...	2.50	2.00*	36	38
Fire Assn.	10	2.50*	64	66
Firemen's (N.J.) ..	5	.40	9	10
Franklin Fire... ..	5	1.40*	28 1/2	30
Gen. Reinsur.	5	2.00	38	40
Georgia Home... ..	10	1.20*	23	26
Glens Falls.... ..	5	1.60	42	44
Globe & Repub. ..	5	.50	9	10
Gt. Amer. Fire. ...	5	1.20*	25 1/2	27
Gt. Amer. Ind.	1	.20	9	11
Halifax10	1.00**	12	13 1/2	
Hanover Fire... ..	10	1.20	23 3/4	25
Hartford Fire.	10	2.50*	82	85
Hartford S. Boll. ..	10	1.60	55	58
Home Fire Sec.	10	...	1 1/4	2
Home (N. Y.)... ..	5	1.60*	31	32 1/2
Home Indem.	5	...	10	
Ins. Co. of N. A. ...	10	2.50*	64	66
Maryland Cas.	1	...	1 1/2	2
Mass. Bonding... ..	12.50	3.50	60	63
Mer. (N.Y.) Com. ...	5	1.70*	45	48
Natl. Cas.	10	1.00	25	27
Natl. Fire	10	2.00	57	59
Natl. Liberty... ..	2	.40*	7	8
Natl. Un. Fire... ..	20	5.00*	138	143
New Amst. Cas.	2	.75	16	17
New Hampshire ..	10	1.80*	45	47
Northern (N.Y.) ..	12.50	5.00*	96	100
North River	2.50	1.00	24	26
N. W. Natl.	25	5.00	115	122
Ohio Cas.	5	1.15*	35	37
Phoenix, Conn.	10	3.00*	83	86
Preferred Acc.	5	.80	12 1/2	13 1/2
Prov. Wash.	10	1.40*	35	37
St. Paul F. & M.	62.50	8.00	230	240
Security, Conn.	10	1.40	34	36
Sprgfd. F. & M.	25	4.75*	117	120
Travelers100	16.00	16.00	410	425
U. S. Fire	4	2.00	46	48
U. S. F. & G.	2	1.00	18 1/2	20

*Includes extra. **Canadian funds.

How would You like to draw

Three Bullets?



Getting more business is simply a matter of playing your cards right — if you have the right cards. So to fill your hand — we offer three, crisp, sales-producing Aces, (1) National advertising, reaching over 2,000,000 prospects each month, (2) direct mail material, with which you can cash in on our national campaign, and (3) The Employers' Pioneer, a monthly magazine that keeps over 10,000 agents posted on latest developments in insurance production. Shall we deal you in?

How About A Hand Of Showdown?

Simply write to the Publicity Dept. and we'll send you the latest issue of The Pioneer, showing — in one quick glance — some of the many things we do to help Employers' Agents get business.

The
EMPLOYERS' GROUP



110 Milk Street, Boston, Mass.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED
THE EMPLOYERS' FIRE INSURANCE CO. — AMERICAN EMPLOYERS' INSURANCE CO.

Blue Goose Invites Illinois Agents

All insurance men attending the annual meeting of the Illinois Association of Insurance Agents in Rockford, Oct. 24-25, are invited to attend a dinner and show Oct. 23 in the Faust hotel, at which Illinois Blue Goose will be host. The invitation was extended by the ganders to W. H. Jennings, Jr., chairman Illinois association, who is chairman of the general committee in charge of arrangements for the meeting.

Officials from three adjoining state associations have indicated their intention to attend the Illinois meeting Oct. 24. They are L. W. Garlich, St. Joseph, Mo., representative of the Missouri Association of Insurance Agents and member of the executive committee of the National Association of Insurance Agents; L. M. Jefferies, Clinton, Ia., president Iowa Association of Insurance Agents, and G. F. Miller, Racine, Wis., president Wisconsin Association of Insurance Agents.

An innovation this year will be door prizes to be given for the first time. Two prizes of \$5 each will be given at each formal session.

An additional speaker on the morning program of the regional vice-presidents' conference, which is open to the public, will be J. M. Joyce, president Joyce Seven Up, who will talk on "Let 'Em Buy." He is an inspiring speaker. Mr. Joyce in five years has built up a large organization with plants in Chicago, and in New Rochelle, N. Y. He is known as a very successful merchandiser.

The rural agents conference added another speaker to its program, George Spitz, attorney, De Kalb, Ill., who will discuss "Organization of Rural Fire Protection Districts."

S. L. Vandevort Goes with W. H. McGee & Co.

NEW YORK—S. L. Vandevort has joined the staff of W. H. McGee & Co. of New York. Mr. Vandevort has been located in the marine department of Great American at the home office for two or three years and previously was head of the western marine division of Great American. Before that he had been connected with Fireman's Fund.

Indianapolis Board Reelects

At the annual meeting of the Indianapolis Insurance Board, H. C. Wolff was reelected president and all other officers were reelected. They are: H. J. Spier, vice-president, and J. W. Stickney, secretary-treasurer. Marvin Curle, Fred Frauman and J. A. Welch were elected directors for three years, succeeding Fisk Landers, M. K. Pruyn and W. K. McGowan. Other members of the board are H. J. Hadley, R. M. Fox, L. G. Gordner, Hobson Wilson, I. A. Hyfield and C. C. Duck. Messrs. Wolff and Gruyn reported on the Buffalo convention of the National Association of Insurance Agents. An open forum meeting soon will be held for discussion of the in-or-out rule that was adopted. A copy of this rule was sent some time ago to the presidents of all fire and casualty companies operating in Marion county in which Indianapolis is located, with the suggestion the information be passed back to local representative. All who are interested, including fieldmen and other representatives of the different classifications of companies, will be given opportunity to voice their opinions at the meeting.

National Officers Confer

Payne H. Midyette of Tallahassee, Fla., president National Association of Insurance Agents, who is appearing before the Wisconsin association at Fond du Lac this week, stopped over in Chicago to confer with R. W. Forshay of Anita, Ia., national vice-presi-

dent. Allan I. Wolff of Chicago, former national president, sat in with the two officers at some of their sessions. Mr. Midyette will represent the national body at the Illinois and Indiana association meetings.

Hercules Powder Is Sued

NEW YORK—As a result of the explosion that wrecked the Kenvil, N. J., plant of the Hercules Powder Company about a month ago, claims for property damages have been filed with the corporation by owners of nearly 500 homes, ranging from a few dollars to more than

\$500 each. Hercules was a self-insurer and must meet claims out of its own treasury.

It does not appear that any of the persons whose homes were damaged carried extended cover—at least no claims have been filed thereunder. Had claims been made, the companies would have settled under the explosion provision of the extended coverage contract, and taken subrogation against the powder manufacturer.

A number of workers in the powder plant were killed and many others seriously injured, 22 still being in hospitals at Dover and Morristown. The Her-

cules Company will pay 35 percent of the salaries of deceased employees to their widows for 300 weeks, plus 10 percent for each additional dependent.

The Liquefied Petroleum Gas Association meets in Fresno, Cal., Oct. 19 to discuss current problems. Marshall Somerville of the Pacific Board is slated to discuss the fire underwriters' viewpoint of the liquefied gas situation.

Use automobile quotation blanks to increase premiums. Write Reprint Department, National Underwriter, for samples.



REAL SUPPORT

Have you ever thrilled to the perfect picture of thoroughbred bird dogs—on the job? Steady, dependable, efficient. When one points a bird, the others honor the point. No interference . . . just complete cooperation. That's team work! That's the kind of support that takes birds . . . or wins ball games . . . or helps get and hold business.

The 88-year-old Agricultural and the Empire State—under identical management—are firm supporters of the American Agency System. "Friendly folks"—our agents call us. And we try to live up to that reputation by wholehearted cooperation. Minimum correspondence—minimum routine detail—maximum support to the sound things that help you to greater profits.

Have you a place for another strong company? Let us send a representative to give you our story.

Agricultural
Insurance Company,
of Watertown, N.Y.



Empire State
Insurance Company,
of Watertown, N.Y.

Every Type of Property Insurance for Industry and the Home

Photo by EDDY'S STUDIO, Southern Pines, N. C.

EDITORIAL COMMENT

Senator O'Mahoney and the Press

WHEN Senator J. C. O'Mahoney of Wyoming, chairman of the Temporary National Economic Committee, spoke before the American Life Convention at the Edgewater Beach Hotel in Chicago, he was very emphatic in his criticism of the newspapers on the ground they willfully distort and misrepresent facts. He cited one instance that occurred in the hotel the afternoon that he spoke. It was arranged that the insurance newspaper men present at this convention should have an interview with Senator O'Mahoney in the quarters of the A.L.C. officials and executive committee.

One of the newspaper men inquired of Senator O'Mahoney as to the "leak" in regard to its forthcoming report following its investigation of life insurance. As is known, the New York "Herald-Tribune" published a series of articles from its Washington correspondent revealing what was in the report. No other paper had it. The senator was asked how it happened to leak out. He replied that Congressman Carroll Reece of Tennessee was what he called reading chairman of the TNEC. He said that he transmitted copies to the 12 members of the committee. Therefore, the senator added, when 12 copies went out to 12 different men, it was not surprising that one of these men did reveal it to some newspaper man to whom he was probably deeply indebted.

Then someone else made inquiry of Senator O'Mahoney as to when the report would be officially released. He replied very definitely, "The report will not be released until after election." There was no further comment or explanation.

In his address before the convention that same afternoon, Senator O'Mahoney in order to prove his contention that the press was deliberately misleading readers, said that by chance he had

seen copy of a telegram that one of the insurance newspaper men sent out to his publication, following this interview, stating that Senator O'Mahoney announced that the report would not be released until after election. The senator said that naturally the inference was that the committee was playing politics and was afraid to promulgate it until the presidential election in November. He condemned the newspaper man for this act.

On adjournment of the meeting when Senator O'Mahoney was still in the hall, THE NATIONAL UNDERWRITER reporter who had not written his story, accosted Senator O'Mahoney, reminding him that he had discussed the matter of the 12 copies going out to members, and that he definitely had said that the report would not be released until after election and had made no further comment or explanation. Then Senator O'Mahoney said, "Why, the committee has not had a meeting. There has been nothing transcribed. It has not been typed. There has been no official action."

Query: Was Senator O'Mahoney justified in his criticism of the newspaper men? He made no explanation as to whether these reports that had been given to the 12 committeemen were preliminary, tentative or official. Had he been more explicit when the question was asked him as to when the report would have been released the newspaper men would have had then a very clear idea in their minds about it. Perhaps he thinks the newspaper men are mind readers. At any rate, in our opinion there is very little distorting of news. If news is incorrect it is largely due to the source of the story and not the reporter. Under the circumstances the reporter whom the senator condemned was perfectly justified in his statement. It may be the senator or the reporters were on different tracks.

Dealing with Distressed Agencies

W. A. EARLS of Cincinnati, who was president of the Ohio Association of Insurance Agents until its recent annual meeting at Cleveland, presented in his presidential address a suggestion that is creating much interest. He took the ground that when an agency gets into financial difficulty and field men endeavor to bring about an adjustment, forcing collection of balances, etc., there is considerable rivalry among them

and property is sacrificed in the procedure involved.

He, therefore, advocated that the Ohio association establish at its executive office in Columbus a service backed by excellent legal talent which it could offer to agents in case of distress of a local office. That is, his idea was to have a program whereby the Ohio Association of Insurance Agents would represent the agency and a field com-

mittee would represent the companies. It would be a joint undertaking. Mr. Earls emphasized the fact that this program that he offered was not a reflection on the field men.

The present method of handling agencies in financial distress through committees has been found to be unsatisfactory, in his opinion, and the companies themselves have lost because of the course pursued. Often an agent is not acquainted with his own rights under the law. Field men frequently

do not know all the details of agency operations. Altogether he declared that it was an unwise procedure when an agency was found to be in distress to turn the management over to a committee of field men, in most cases residing at a distance from the locale of the agency, and they themselves not being acquainted with the policyholders and local agency details.

Mr. Earls' recommendation has been heralded by local agents as a sensible way to meet an unfortunate situation.

Tribute to Illinois Department

INSURANCE SUPERINTENDENT PINK of New York, in his talk before the insurance section of the Illinois chamber of commerce in Chicago, paid tribute to the Illinois insurance department presided over by Insurance Director ERNEST PALMER. Mr. PINK very frankly stated that in some of the previous administrations the Illinois department could not be given a favorable rating. In fact it did not reach the passing mark. Illinois insurance supervision under those administrations

did not give a good account of itself by any means.

He did say that now there is no insurance department in the country that is superior to Illinois in its supervision, courage, general administration and good sense. He regards Mr. PALMER as one of the real outstanding insurance commissioners of the country. He has done effective work not only in his home state but in the National Association of Insurance Commissioners.

PERSONAL SIDE OF THE BUSINESS

Stuart Ragland of Richmond, former president Virginia Association of Insurance Agents, and now its national councillor, spoke before the Missouri association meeting at Joplin last Wednesday, returned via Chicago, stopped there Thursday evening and ascertained that Lyle H. Gift of Peoria, Ill., president Illinois Association of Insurance Agents, Mrs. Gift and Mrs. Lillian L. Herring, executive secretary, were attending the banquet of the American Life Convention meeting at the Edgewater Beach Hotel. Therefore, he participated in that function. Friday noon he attended the insurance luncheon of the insurance section of the Illinois chamber of commerce and sat at Mrs. Herring's table.

E. J. MacDonald, general adjuster of the St. Paul Fire & Marine, who recently fractured his shoulder blade in a fall from a ladder at his lake cabin, is back at his desk.

F. R. Bigelow, chairman of the St. Paul Fire & Marine, presided at the dinner which opened the Community Chest Campaign in St. Paul. He has been active in chest campaigns since they were started in St. Paul 20 years ago.

Three insurance executives, in company with William P. Ackerman, local agent of Sidney, Neb., are on a hunting trip of two weeks along the Platte river on Mr. Ackerman's grounds. The officials are Fred A. Hubbard, president, and John Rygel of Chicago, secretary of Hanover, and C. A. Siebold, president of Jones & Whitlock.

Reelected at Washington, D. C., for a second term as commander-in-chief of the United Confederate Veterans. Gen. J. F. Howell, head of Howell & Bachman, Bristol, Va., agency, was back

at his desk this week as spry as a cricket despite his 94 years. Though seriously wounded while following Lee back in the '60s, he shows no trace today of having been through the bloody conflict. He is sole owner of the agency, his partner having died some years ago. He restricts his business largely to fire insurance, the National of Hartford which has been in his office for 40 years being the principal company. When a policy is expiring he notifies the insured, adding that it will be renewed and delivered when the premium is in hand. This is a fixed practice of the office.

At the convention General Howell created quite a furore when he ruled that sons or daughters of veterans had no right to speak or vote at the business sessions.

John A. Schultz, special agent Great American, Des Moines, who has been ill since last July, is reported as improving. He was moved recently to his home from Mercy hospital.

George H. Parker, manager Kentucky Actuarial Bureau, has been appointed by Governor Johnson of Kentucky as assistant state director of civil defense.

G. J. Wideman, pioneer Toledo insurance man, and his wife celebrated their 50th wedding anniversary Oct. 14. Both Mr. Wideman and his wife are 74 years old. He was in the insurance business for more than half a century with the late C. J. Kirschner.

W. G. O'Hara, local agent Williams-town, Ky., was presented testimonials by his companies for more than 50 years as an agent. He was given a clock by Liverpool & London & Globe, which he has represented since 1892, and a testimonial by the Westchester, which appointed him agent in 1905. Mr. O'Hara has represented the National of



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Hartford and Great American for 50 years, the North British & Mercantile 45 years and Springfield F. & M. and about a dozen other companies for a long time. While Mr. O'Hara is about 76, he has a substantial business and is very active. He has been a fire insurance agent since February, 1884, and has built up a large volume of tobacco business.

Charles H. Smith of Smith & Wheeler, western managers of Hartford Fire, is taking a three weeks' vacation trip by motor through Pennsylvania, New York and Virginia. **C. E. Wheeler** is planning to go to Fort Lauderdale, Fla., Nov. 1. He purchased a home there last year.

Ralph Learn, assistant western manager of Aetna Fire, has returned from his annual fall fishing excursion in the waters of Put In Bay, O. Each spring and fall Mr. Learn and a group of about a dozen cronies return to this rendezvous and make a raid on the fish of Lake Erie.

F. X. Newcomer, J. U. Weyant and **H. E. Senneff**, co-partners **F. X. Newcomer Co.**, Dixon, Ill., are responsible for construction and maintenance of the Loveland Community House, just opened in Dixon. The F. X. Newcomer Co. was originally founded in 1892 by G. C. Loveland, who left his estate for the building of the community house, and the late F. E. Stiteley. After Mr. Loveland retired the name of the firm was changed to Stiteley & Newcomer Co., and in 1914 was organized in its present form.

Miss Mary Yeaton, who completed 37 years with the Massachusetts department last August, was given a testimonial dinner in Cambridge. She has been cashier of the department for 20 years. Commissioner Harrington, his deputies and former Deputy Arthur E. Linnell attended the dinner. Several articles for travel use were presented Miss Yeaton.

C. Vivian Anderson and **W. A. Earls** of Cincinnati are serving on the selective service draft board for the district which embraces their residential section of Clifton. Mr. Earls, who is chairman of the board, has just retired as president of the Ohio Association of Insurance Agents. Mr. Anderson is former president of the National Association of Life Underwriters.

Thomas E. Wood, president of the Cincinnati agency which bears his name, has been elected commandant of the Cincinnati Detachment, Marine Corps League. He will be installed in November. Mr. Wood served with the Marines in the A. E. F. in France during the World War.

DEATHS

Sam Behrendt, 61, president Behrendt-Levy Agency, Los Angeles, died there after an illness of three months. He was a native of Los Angeles, educated in Loyola University. He entered the insurance business in 1900 and the next year formed a partnership with I. O. Levy, which has continued ever since. Mr. Behrendt wrote the first movie studio insurance policy, for William Selig and William Horsley, and at one time the agency was the leading writer of insurance for the film industry.

A. W. Croxford, 81, well-known Utah adjuster, died at his home in Salt Lake City. He was a native of England and had lived in Utah more than 50 years.

Leroy Neal, 63, for 35 years associated with the Mill Mutuals, and organizer of the Ohio department, was killed in an automobile accident at Pleasant Corners, O., Monday evening. He had planned soon to retire and move to Leesburg, O.

George W. Quinby, 55, who recently retired from the W. C. Myers & Co. agency at Wooster, O., died suddenly from a heart attack. Mr. Quinby had been a partner in the agency for 28 years. He maintained an active interest

Accountants Meet for Annual Rally

ENDICOTT, N. Y. — The National Insurance Accountants Association held its three-day convention at the School of International Business Machines with 80 executives and officials of leading fire and marine insurance companies attending. Eighteen different insurance accounting subjects were presented by members of the group, including many new and controversial topics which were followed by discussions from the floor.

The association's president, E. G. Crapser, Pacific Fire, New York, presided. Two vice-presidents, E. S. Stryker, Firemen's, Newark, and R. C. Ratcliffe, Newark Fire, also took active part, as well as F. W. Maasen, London Assurance, New York, treasurer, and A. A. Dahlberg, Sun, New York, secretary.

Tour Through Factory

Activities began with a tour through the IBM factory, followed by sessions that afternoon and for the next two days. A special dinner was held the second evening at the Homestead, the company's clubhouse, with many IBM executives joining in the festivities.

Subjects covered included: Expenses by states, philosophy of assets and liabilities, economies of punched card system, personnel, reciprocal tax laws and and bureau assessments, reinsurance—lack of uniformity, pooling, auto accounting and coding, use of uniform statistics, research, budgets, taxes, including federal, coordination, changes in annual statements, scrapbook analysis, account checking by machine, key sort accounting and education. Each topic was presented by a member considered an authority in the special field.

Disadvantage of State Minimum Tax

State minimum tax laws based on direct net premiums frequently operate to the disadvantage of companies with small premium totals in individual states, Mr. Maasen told members. "It is a real problem," he declared, "to find means to avoid heavy tax costs in states where it is difficult to obtain under present conditions direct premium income large enough to bring the state premium tax above the minimum by application of the percent of tax to the income."

He suggested that a remedy might be found through authorizing agents to increase their limits to the total of "group facility" instead of individual company limits, as is the practice in many offices. Another remedy might be, he pointed out, through the appointment, where permitted, of agents of a parent company also for affiliated companies. The speaker also pointed out that bureau assessments occasionally represent an inequitable cost to carriers with small premium income.

W. W. Hartman, assistant manager Middle Department Rating Association, was tendered a luncheon by the fire prevention committee of the Bethlehem, Pa., Chamber of Commerce.

in the Wooster fire department for many years and the evening before his death he took a large fog nozzle to the department which was used in a special demonstration. He was active in Masonic, business, and civic affairs.

Mrs. Walter C. Leach, widow of the late president of the Minneapolis Fire & Marine, died in Minneapolis. Mr. Leach died a few months ago.

T. A. Lodge, manager of the fire insurance department of Brown, Crosby & Co., New York, died at St. Boniface Hospital, Newark.

Tom O. Gildersleeve, 75, who retired as inspector for Great America in 1934, died at his home in Hempstead, L. I. He started with Mechanics of Brooklyn, later was associated with the George E. Wood agency and then with United States Fire as accountant. He went with Great American in 1909 as an inspector.

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Kansas Agents Meet at Hutchinson

Hobbs Charges Rate Filings Treated Lightly

Complains of the HOLC Transaction and Safe Driver Reward Plan

Commissioner Hobbs of Kansas in addressing the agents' association of his state in annual convention in Hutchinson, charged that the companies have failed to meet the rate filing requirements of Kansas under certain circumstances. He said that nothing was ever filed with the Kansas department in connection with the 1935 agreement of the HOLC-Stock Company Association nor was the department advised of the 1940 agreement until the department initiated correspondence of its own. In the latter part of July the department, he said, received a copy of the new agreement and after some correspondence, the SCA agreed to file a brief, which, Mr. Hobbs stated, had been received at his office but which at that time he had not had an opportunity to study.

The situation, he alleged, indicates an "indifference of the companies to making their filings which are required under the statutes." He stated that he was not prepared to make his final position known on the HOLC-SCA question.

Safe Driver Reward Plan

Mr. Hobbs stated that the safe driver reward plan was not filed with the department until after the department requested information in regard to the plan.

"Another instance," he said, "was where one of the very large companies issued thousands of policies according to their own admission and brought to the department daily reports for many, many hundreds of policies which were written on automobiles in this state and these policies were countersigned by an agent in another state."

Mr. Hobbs stated that although he favors state supervision rather than federal, the critics of the state system are being furnished with ammunition when

(CONTINUED ON PAGE 19)

Personalities from the Hutchinson Convention

There were 29 present at the insurance women's breakfast conference during the convention of the Kansas Association of Insurance Agents at Hutchinson. Miss Dorothy Reeder, J. N. Bailey & Son, Hutchinson, was chairman. A round table discussion was held on comparisons of old and new comprehensive policies, aviation insurance and the adjusting department. Berneda Faulk, Dulaney, Johnson & Priest, Wichita, treasurer National Association of Insurance Women reported on the activities of that organization. The formation of a local association at Hutchinson is being planned.

Above the speakers platform was displayed a large banner reading "Full Efficiency for 1941."

Attendance prizes were won by George S. C. Hurter, Madison; James D. Gilmore, Independence, Paul Cramm, Northwestern National, Oklahoma City; C. B. Erskine, Cimarron; M. W. Webster, Hutchinson; N. Kleber, Liverpool & London & Globe, Wichita; W. L. Gench, Western Insurance Companies, Fort Scott; Noble Birmingham, Phoenix of Hartford, Wichita; Rosse Case, Marion; Archie L. Blickenstaff, Hutchinson, and W. L. Gardner, National Fire, Topeka.

The ladies attendance prizes were won by Mrs. Byron S. Chapell, Wichita, and Miss Joyce Mallory, Central Kansas Adjusting Co., Wichita.

The Western Insurance Companies delegation consisted of E. C. Gordon, secretary; L. A. Tonnier, superintendent of agencies; W. L. Gench, manager auto department; Clifton C. Otto, fire insurance department, Clifford Gordon, special agent.

O. P. Rush, vice-president Kansas City F. & M., and A. H. Lindsey, special agent, were visitors. Mr. Rush was one of the prize winners in the golf tournament.

Two former members of the executive committee were on hand and took a lively interest in the proceedings. They were J. E. Stoll, Kingsley, and R. L. Budge, St. Johns.

Don Zimmerman, Liberal, immediate past president of the Kansas Junior Chamber of Commerce, attended all sessions.

Byron H. Ward, Glens Falls, Topeka, who a few years ago was in the local agency ranks and a member of the executive committee, was among the visitors.

The Hutchinson Insurance Board headed by N. N. Kline handled the convention details in good order.

A. F. Wilson, Springfield F. & M., Topeka, and T. J. Randel, Massachusetts Bonding, Kansas City, Mo., were the high men in the contest among the field

men for securing new members to the state association and were awarded with gifts from the organization.

Fred A. Gould, Arkansas City, a former president, explained the appearance of whiskers by announcing that his town is soon celebrating its 70th anniversary and that all members of the chamber of commerce are expected to have graceful beards by the time of the celebration. His is well on the way.

Those on hand for Royal-Liverpool were: Wells R. King, Omaha; Harry Teicher, Kansas City; J. Gill Updegraff, Topeka; C. J. Wintrol, Wichita.

Holmes Meade, Topeka, head of the Meade Investment Company, and a former president of the Kansas association, who is also president of National Reserve Life of Topeka, was unable to be on hand this year. He was attending the meeting of the American Life Convention in Chicago.

Will S. Thompson, Hutchinson, prominent in local agency ranks who recently sold an interest in his local agency to N. N. Kline and who is now giving full time to his position as president of Great American Life of Hutchinson, attended all sessions. He is a former president of the Kansas association.

Henry J. Weltmer, Jr., Hiawatha, was presented with a gift for his work as chairman of the education committee.

The Frank T. Priest cup, awarded to the local board doing exceptional work during the year, was given to the Wichita board.

It was announced that there were 327 registered at this year's meeting and 32 towns in Kansas were represented.

George F. Bacon, Eldorado, was the newest member of the state association present, he having signed up a day before the meeting.

Fidelity & Deposit furnished each person attending the meeting a copy of the Hutchinson morning paper.

Hartford Fire headquarters were manned by H. W. Donnan, assistant western manager; J. Wiley Burden, manager automobile department, O. D. Butcher, R. M. Covington, and Geo. W. Barker, special agents.

Gale Morgan, Stock Company Association, Washington, D. C., was a visitor at the meeting.

Frank T. Priest, Wichita, was unable to be present. He is one of the most popular men in agency ranks throughout the country and his absence was keenly felt.

L. N. Bowen, Chicago, agency superintendent National Fire, attended the meeting.

Retain L. W. Jones as President, Henry Vice-president

Proceedings Compressed Into One Day Session—Membership Is at Peak

By W. A. SCANLON

Laurin W. Jones of Dodge City and Victor G. Henry of Wichita were re-elected president and vice-president respectively at the annual meeting of the Kansas Association of Insurance Agents at Hutchinson. Wade Patton of Hutchinson was again chosen secretary-treasurer.

These officers have rendered splendid service during the past year and the members felt they should be continued in office.

Much has been accomplished in the year just passed. The membership has been increased materially and now stands at 476. This is an all time high.

The success of the educational work among the members has been notable.

Short Course Successful

In June of this year there was instituted a short course in fire, casualty and surety insurance sponsored by the Kansas association. The course was completed by 113 agents and 27 field men. It is the intention of the organization to enlarge its educational activities. It is hoped to have courses in schools and colleges at other points throughout the state as well as at the Kansas University.

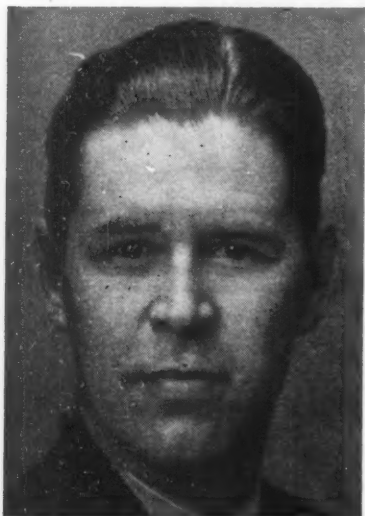
Plans are being made for further expansion of membership. As in the past year, there will be contests among the field men in the securing of new members and prizes will be awarded.

Field Men, Agents Cooperate

In Kansas there is a spirit of cooperation between the field men of the state and the state association.

The increase in membership during the past year is due in a large measure to the work of the field men.

It is planned that during the next



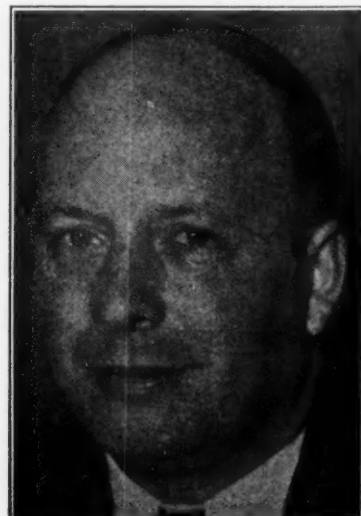
LAURIN W. JONES, Dodge City
President



V. G. HENRY, Wichita
Vice-president



WADE PATTON, Hutchinson
Secretary



ALEX CASE, Marion
National Councillor

year more local boards will be formed and in addition there is to be a determined effort to organize the agents in the smaller communities into zones. The state will be divided into eight zones, each with its own officers.

One Day Business Session

This year's meeting was confined to one full day of business sessions. The first day was devoted to a golf tournament. Heretofore the annual gatherings have consisted of two days of business.

The speakers were well chosen and each one was listened to with much interest.

President Jones kept the machinery moving in brisk fashion.

Instead of having the usual reports of the officers, this year in order to conserve time Bert Mitchner, Hutchinson, performed in the capacity of commentator.

Of considerable interest to the agents was the address of H. C. Cunningham, Sheffer-Cunningham, adjusters, on "Does the Kansas Financial Responsibility Law Cancel the Need of Compulsory Automobile Insurance."

In reporting for the legislative committee Harry Tinklepaugh, Kansas City, chairman, said the Kansas legislature will not be in session this next year and it is recommended to the executive committee that no active legislative program be set up for 1941.

Alex Case Is Featured

During the afternoon session Alex Case, Marion, national councillor, reviewed the purposes and duties of a councillor and reported on the activities of the councillors at the recent national meeting at Buffalo and touched briefly on some of the vital matters being considered.

Wade Fetzer, Jr., Chicago, member executive committee of the National association, who a few days before addressed the Missouri agents convention spoke to the Kansas agents.

"Conservation Pays Big Dividends" was the title of a paper read by John J. Hall, National Conservation Bureau, New York.

Prof. E. L. Harshbarger, Bethel College, Newton, Kan., spoke on "The European War and American Policy."

At the last session Commissioner Hobbs of Kansas delivered an address.

Walter Heaney, chief underwriter Hartford Accident, Kansas City, discussed briefly the streamlined automobile policy and Baxter C. Brown, Kansas City manager Fidelity & Deposit, talked on "The Up-to-Date Bond."

Chairman of Executive Committee

Edwin S. Nellis of Topeka becomes the new chairman of the executive committee. New members of that committee are N. N. Kline of Hutchinson and S. H. Reynolds of Kansas City. The holdover members are Messrs. Patton, Jones and Henry, W. T. Newkirk, Independence, and Roy Omer, Salina.

Under one of the resolutions that was adopted the members pledged their allegiance to fellow agents whose operations may be curtailed by participation of the owner or personnel in the national defense program. The position taken by the executive committee of the National association in connection with the so-called Benjamin Rush incident was endorsed, the resolution stating: "We believe that a discussion of acquisition

Fidelity Bonds Are Found Avenue to Increased Sales

Fidelity & Deposit Official Sees Great Opportunities for Agents in Line

Fidelity bonds offer greater possibilities to the alert, progressive agent than any other class of surety bonds, and probably greater than any other type of insurance, B. C. Brown, resident vice-president Fidelity & Deposit, Kansas City, told the Kansas Association of Insurance Agents annual meeting at Hutchinson. While fidelity premiums in 1939 represented about 45 percent of all surety premiums, he said, reliable estimates show only about one employer out of five who needs fidelity insurance bonds his employees. Embezzlement by trusted employees totals more than \$200,000,000 annually, he said.

Not Difficult to Understand

Fidelity bond forms are up to date, and might be said to be tailor made, he commented. They have been improved by the trend in corporate suretyship toward broader, more elastic and more comprehensive coverages. Mr. Brown noted that the premium rates for most classes of surety risks have been greatly reduced in recent years.

Fidelity bonds are not, as some agents seem to think, difficult to understand, he said. They have a stronger appeal than any other class of surety bonds for agents who have had little experience with bonds, because they are more like insurance policies. The primary commercial blanket bond is especially easy to understand, Mr. Brown said.

He recommended that the agent who does not sell fidelity bonds because he feels he does not know enough about them, concentrate his attention at first upon only two forms, the individual bond and the primary commercial blanket bond. The first takes care of needs of employers who have only one person to bond and the latter is applicable to the vast majority of employers. They

costs and other management details are not matters of general interest to the public, but rather matters for conference by the agency representatives and the companies." The same resolution continued: "We question the plan of installing a multiplicity of service offices as a means of reducing acquisition costs."

R. D. Voss of Omaha, district manager of the Stock Company Association, did not make his scheduled appearance to discuss the procedures under the HOLC-SCA agreement in view of the fact that the Kansas department has raised some issues regarding the program. He attended the meeting but did not speak.

are simple forms, he said, and can be mastered with a minimum amount of study to the point where an agent will experience no difficulty in explaining salient features.

Mr. Brown pointed out that the \$90,185,000 of surety premiums produced in 1939 was exceeded by only three of the 17 casualty lines, liability, workmen's compensation and accident and health. Therefore, he said, the agent who ignores surety business or for other reasons fails to produce his share of it, is not up to date and has neglected a duty which he owes to himself and the insuring public. He said the fact that agents in many communities are guilty of this dereliction is evidenced in part by the preponderance of personal bonds given in their communities by administrators, executors and guardians and other fiduciaries.

He gave the results of a survey recently made of the fiduciary bonds filed in a certain Kansas county seat during the period of 15 months ended April 10, 1940. There were 86 personal bonds with aggregate penalty \$425,380, but only 23 corporate bonds with aggregate penalty \$103,550. He characterized this as a shameful situation which can be corrected through the medium of education. Mr. Brown suggested a conference with the nearest probate judge which would afford an opportunity to do constructive work that would be beneficial not only to the agents but to their clients and constituents.

Random Notes Made at Kansas Agents Meeting

J. C. Delaney, Oklahoma City, state agent Sun, one of the real veterans of Kansas and Oklahoma fields was at this year's meeting.

All those registering were given an envelope which contained spiral memoranda books, compliments of Royal-Liverpool, bridge score sheets presented by Fontron Agency, Hutchinson, and the McNaghten Investment, Hutchinson, and a card entitling the bearer to a free cup of coffee in local restaurant, gift of Ralph K. Pfremmer, Kansas City, special agent.

The printed program made up on the likeness of a policy was contributed to the convention, compliments of Wm. F. Moffatt, Kansas City manager United States Fidelity & Guaranty and Fidelity & Guaranty Fire.

Several field men of the fire companies and managers and field men of casualty companies attended the meeting of the Missouri agents at Joplin and also the Kansas agents meeting at Hutchinson.

Kansas City F. & M. followed its practice of several years' standing of distributing a directory containing names of all attending the meeting and a roster of the members of the Kansas association.

J. A. Reed, Aetna Fire, Topeka, attended the meeting. Mr. Reed has been off the reservation for a couple of months because of illness. Following his doctor's instructions he is taking over his duties in easy stages.



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\$1,149,434.22

in Premiums in Kansas and Missouri last year. For this splendid support in our two home states, we are sincerely grateful.

LEADING AGENTS in KANSAS and MISSOURI find it is an advantage to make the WESTERN the LEADER in their agencies.

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Kansas City
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St. Louis
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Adjusters

WICHITA

KANSAS

Personalities at Hutchinson Rally

Frank J. Shields, marine manager National Union, Chicago, who was a speaker at last year's meeting in Topeka, was a visitor at this year's gathering.

Clyde B. Smith, Lansing, Mich., former president National Association and honorary member the Kansas association, sent a message extending his regrets at being unable to attend this year's meeting.

The golf tournament proved quite popular. Some 91 agents and field men participated. There were 28 prize winners.

John K. Morrison, Omaha general agent, was among those present.

M. E. Peterson, Chicago, secretary, and **Roy E. Wessendorf**, Chicago, assistant superintendent of agencies, Springfield F. & M., who attended the Missouri agents convention earlier in the week were on hand for the Kansas meeting also. Mr. Wessendorf was one of the prize winners in the golf tournament at Hutchinson. **Julius C. Wessendorf**, Warrenton, Mo., local agent, father of Roy E., accompanied his son and Mr. Peterson at both the Missouri and Kansas meetings.

The get-together dinner was well attended: There were no speeches. **N. N. Kline**, Hutchinson, president Hutchinson local board, was master of ceremonies. He introduced several of the notables present.

In introducing **Rosse Case**, Marion, at the dinner Mr. Kline referred to him as the dean of the Kansas insurance men. Mr. Case is a former president of the Kansas association and father of Alex Case, who is also a former president, and at present chairman executive committee and national councillor.

There was a buffet luncheon, complimenting the Hutchinson Insurance Board.

L. B. Burt, vice-president Preferred Fire, represented his company.

W. E. Studebaker of the Miller Studebaker general agency, Topeka, was the representative of his office.

Wm. H. Moore, manager Central Kansas Adjusting Company and secretary National Association Independent Insurance Adjusters, was mingling with the conventioners.

Howard E. Decker, assistant superintendent agents Standard Accident, attended the Missouri meeting and was among the visitors at Hutchinson.

A. L. Carr, vice-president, and **Fred Brinkman**, Kansas City, manager of **National Surety**, maintained headquarters at Hutchinson.

The **American Automobile** headquarters were in charge of **Carroll E. Mayer**, Kansas City manager, and **D. H. Wilson**, Kansas City, special agent.

P. H. Hawes, director of agencies, and **Homer H. Minnick**, Wichita, special representative **Central Surety**, were in charge of their company's headquarters.

Massachusetts Bonding headquarters were manned by **F. G. Packwood**, Kansas City manager, and **Tom I. Randel**, special agent.

Charles G. Blakely, Jr., Topeka, former president of the Kansas agents association, was piloting his son, Victor, at the meeting. His son is associated with his father.

Among the out of state visitors was **J. D. Hartline**, Marine Office of America, St. Louis.

The nominating committee was headed by **Glenn Hussey**, Topeka. His associates were: **Urban C. Brown**, Emporia; **L. Harding Wincett**, Kansas City; **Leal E. Anshutz**, Russell; **J. C. Berryman**, Ashland, and **Ben Northcutt**, Newton.

Chas. K. Foote, Wichita, was chairman **resolutions committee**, assisted by **George Schurter**, Madison; **Fred Gould**, Arkansas City; **George Withers**, Clay Center, and **Harold Hall**, Independence.

H. E. Soward, Chicago agency superintendent **America Fore**, was present. His fellow workers accompanying him were: **C. W. Bean**, Kansas City, **Wm. F. Ehret**, Wichita, **M. E. Odell**, Kansas City, **Walker N. Moore**, Wichita, and **A. C. Doan**, Kansas City.

Henry J. Weltmer, Jr., Hiawatha, general chairman of the insurance school last June, was presented with a gift. The executive committee has recommended that four sectional schools be set up for this year, probably to be held at Wichita, Pittsburg, Hays and Lawrence in con-

nection with the colleges at those cities. They would be scheduled the same week so that the same speakers could attend all.

Chairmen and zone committee members of the eight zones met with the **B. D. O. committees** of the field men prior to the general session to consider a new county plan of organization outlined by **Victor G. Henry**, chairman membership committee. About 75 attended. Mr. Henry presided.

The **Wichita Insurers** held a committee meeting with **John J. Hall** of the National Conservation Bureau to obtain suggestions for furthering the safety program in Wichita. **Byron Chapell** presided.

Kansas City had won the cup last year and Hutchinson in 1938, the year it was first offered.

Earl F. Woods, state agent for the **Morrison-Kountze** general agency, Omaha, was in attendance with his new bride of one week, a Hutchinson girl. They will live in Wichita.

N. N. Kline, president of the Hutchinson Board who was named to the executive committee of the state association, is the head of an insurance family. His son, **N. N. Jr.**, is special agent for **Fidelity & Deposit** for northern Kansas.

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MEADE
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Topeka, Kansas

Holmes Meade
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August Wahl
Joe W. Hull
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INCLUDING LIFE

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KANSAS, OKLAHOMA
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Fire, Casualty and Inland Marine

Seventeen Years of One-Day Service

Attractive Contracts for Responsible Agents

WICHITA, KANSAS

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A Strong General Agency
Serving Agents in the
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We solicit your inquiries on underwriting problems.

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Camden Fire Ins. Association	Western Fire Ins. Co.
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Ins. Co. of the State of Penn.	Piedmont Fire Ins. Co.
Homestead Fire Ins. Co.	Century Indemnity Co.
Georgia Home Ins. Co.	Western Cas. & Surety Co.
Ins. Underwriters Agency of the State of Penn.	American Surety Co.

"Ahead of every dollar of our premiums stands the profits of a local agent."



Member American
Association of
Insurance
General Agents

Another son, Wm. L., is field assistant for casualty lines of Travelers at Dallas, and John is finishing K. U. this year with the plan that he will join his father in the Will S. Thompson-Kline agency.

Clarence H. Lind, Kansas City, retiring member of the executive committee, is a son of the veteran Fire Chief Lind of Kansas City and was somewhat on the spot for leaving Kansas City during fire prevention week.

The convention participated in the excellent fire prevention week program of Hutchinson of which **Archie L. Blickenstaff** of the Wade Patton agency was in charge. Apparatus drew up to the hotel and put on numerous drills while the crowd was waiting for the buffet lunch.

Political discussion was kept out of the meetings excepting for one incident. When past President **Glenn Charlton** of Lawrence was introduced at the get-together banquet he said in admitting that the organization was non partisan,—"that everyone should go home and tell his wife to tell her maid to vote for Willie."

Always on the job was **Miss Dorothy Patton**, attractive daughter of Secretary Wade Patton who presided at the registration booth.

Hughes G. Cunningham of Sheffer-Cunningham, Wichita adjusters, made a big hit with his paper on the Kansas financial responsibility law but was under a strain, as his father was critically ill in a Wichita hospital.

There will be some changes in committee appointments to be announced later by President Jones. One change will be the naming of Wm. Piper, Jr. as chairman of the safety and fire prevention committee. Piper, of the Du-laney, Johnston & Priest agency, is chairman of the Wichita Chamber of Commerce fire prevention committee. Henry J. Weltmer, Hiawatha, is to remain as chairman of the insurance school committee.

Hutchinson was a busy convention city during the week. Some 2,000 Methodists were attending their Central Kansas Conference and the Group 7 of the Kansas Bankers Association held forth Thursday in addition to the Kansas agents. The bankers were holding a banquet in the convention room Thursday night, requiring that the agents convention close promptly at 4:30.

Charges Rate Filings Treated Lightly

(CONTINUED FROM PAGE 16)

the companies violate statutes and their own filings.

The commissioner gave assurance that the United States branches of foreign companies are in excellent condition.

He expressed the belief that a solution has been found to the problem of procuring automobile insurance for physically impaired and Negro risks. He expressed satisfaction at the filing of the supplemental contracts in connection with farm property.

Suburban and Farm Risks

Although the farm companies in June filed a new supplement that more clearly defines which are suburban and which are farm risks, the department still receives complaints of agents writing farm properties at suburban rates. The department has ruled that property that should manifestly fall under the farm classification that is written at suburban rates, must be canceled and may not be rewritten at the correct rate by the company that had been on the line. The department has been compelled to apply that rule frequently, he said.

"There are probably many of you that have not heard of a decision in connection with a reciprocal association," he said. "A representative of a reciprocal wrote a policy. Later the association became insolvent and subsequently the representative died and the agency was taken over by a member of his family. The receiver for the reciprocal notified this deceased agent's successor that he must remit to him the unearned commission on the risk. In my mind it is a decision that may be very far reaching in connection with the failure of insurance concerns."

Accident Prevention Pays Dividends, J. J. Hall Says

The conservation of human life and property through accident prevention pays rich dividends both economically and socially, John J. Hall, special service director of the National Conservation Bureau, declared in addressing the Kansas agents association meeting.

Entirely aside from humanitarian consideration, it is more economical to prevent accidents than to pay for them after they occur, he said.

Reviews Conservation Bureau Work

Mr. Hall reviewed some of the impressive work that the conservation bureau is doing. It has long cooperated with the states in launching safety programs. It is one of the charter members of the National Conference on Street & Highway Safety. It works closely with the American Association of Motor Vehicle Administrators. It has provided invaluable service in the introduction of driver education courses into the schools. The Center of Safety Education in New York University is another example of the work of the conservation bureau. So far as community traffic safety is concerned, the conservation bureau has developed an effective program. The bureau has cooperated with the safety division of the Interstate Commerce Commission Motor Carriers Bureau and recently published a digest of the I. C. C. revised motor carrier's safety regulations entitled "Truck and Bus Drivers Rule Book." Steady progress is being made in the direction of accident prevention, he declared.

Six May Take Examination for Colorado Commissioner

DENVER—On the eve of the date set for examinations for insurance commissioner, Oct. 18, it appeared that not more than six men actually will be examined. So far, five applicants have been definitely disqualified for deficiencies in education or experience. Three have been definitely approved for examination and three are still under consideration.

Those definitely approved for examination are Luke J. Kavanaugh, provisional commissioner, C. R. Bieglow of the state unemployment division and V. L. Tickner, head of two local mutual benefit organizations, formerly with the defunct American Life of Denver.

The three who were disqualified on the basis of information in their first applications, but who have been given an opportunity to restate their qualifications and are still under consideration, are: J. G. Donaldson, state inheritance tax commissioner; Ray Branneman, member of the state industrial commission, and C. L. Lough, deputy attorney-general.

Somers E. West, who was named commissioner a couple of weeks ago in a surprise appointment by Governor Carr, apparently will not make any attempt to establish his claim to the provisional appointment. After the examinations are given, the right to designate the commissioner falls into the hands of the state civil service commission—to be based on examination grades.



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Humanized INSURANCE



A policy is not a cold-blooded contract. From its crackling leaves step forth a friendly investigator and adjuster. There follow sympathetic and skillful doctors and lawyers if required. Money is available if that is the thing needed. All are at the beck and call of the wise agent. It is plain horse sense to sell this humanized insurance—made possible by the local agent of the capital stock companies.

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A
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ESTABLISHED 1869 ENTERED UNITED STATES 1892

Premiums Written by U. S. Branch 1892-1939, \$280,903,453.68

Losses Paid to U. S. Claimants 1892-1939, \$137,905,285.18

ADMITTED ASSETS OF UNITED STATES BRANCH AT DEC. 31, 1939 . . \$15,066,746.88

Cash	\$1,801,379.18
United States Government Bonds	\$4,989,617.90
Other Government Bonds	\$ 747,011.95
Bonds and Stocks of United States Corporations	\$5,555,006.98
Uncollected premiums, real estate and miscellaneous	\$1,973,730.87

Liabilities at Dec. 31, 1939 \$ 9,200,858.52

Surplus to Policyholders and Creditors in the United States at Dec. 31, 1939 . . \$ 5,865,888.36

Aggregate value of assets in the United States deposited with state departments and United States Trustee (Guaranty Trust Co. of N. Y.) for the sole protection of all of the Company's policyholders and creditors within the United States at Dec. 31, 1939 \$10,435,871.05*

* Does not include working cash and other assets such as uncollected premiums which while available and held for the protection of United States policyholders and creditors are not suitable for trusteeing because of their nature.

The above figures representing the condition of the United States Branch of the London Guarantee and Accident Co. at December 31, 1939 have been taken from a report of the examination of the Company by the New York Insurance Department dated August 28, 1940, and participated in by the Insurance Departments of Colorado, Washington and North Dakota. (Full copy upon request.) On the strength thereof and 48 years of honorable insurance practice in the United States, the Company solicits the continued patronage of agents, producers and policyholders.

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The NATIONAL UNDERWRITER

October 17, 1940

CASUALTY AND SURETY SECTION

Page Twenty-one

State Regulation Can Be Protected, Pink Advises

Speaks Before Luncheon Group at Ill. Chamber of Commerce Annual Meet

There is only one thing that will protect state regulation of the insurance business and that is efficient quality of the men guiding the companies and a progressive supervision of the state authorities, Superintendent Pink of New York said in his talk before the luncheon of the insurance section at the annual meeting of the Illinois Chamber of Commerce in Chicago. His subject was "How Safe Is Insurance?"

In his discussion of federal and state regulation, Mr. Pink paid high tribute to the work of Director Ernest Palmer of Illinois. Alert, able, experienced, and statesmanlike supervision such as that of Mr. Palmer, he said, is one of the strongest arguments for maintaining supervision in the states. He went on to add that he considered Mr. Palmer the most capable state supervisor in this country.

Mr. Pink also discussed the idea of "insuring insurance," the creation of common funds for the protection of policyholders, such as the pools now in existence in New York for the protection of compensation payments and those injured in taxicab accidents. The idea is similar to that of the F.D.I.C. in banking. It was his thought that serious consideration should be given to the desirability of extending these funds to other branches of the business.

Reviews Record of Companies

In discussing the safety of insurance companies, Mr. Pink reviewed the record of the three main branches, fire and marine, casualty and surety and life, since the beginning of their existence in this country. In passing through one of the greatest depressions of all times, Mr. Pink said that insurance had come through with less grief than any other great financial institution. Fire companies were almost unscathed. The total assets of the life companies which failed were about 2 percent of the assets of all life companies and the loss already has been reduced by collection to approximately $\frac{3}{4}$ of 1 percent with more salvage to come.

Most of the trouble came in the casualty branch, and this can be expected, he said. Not only is it the newest field, but depends less upon actuarial experience and is less an exact science than the two older branches of the business. It is most closely connected with active business, he said, and guarantees of bank deposits, mortgages and contractors' bonds could not hold up in all cases where there was a collapse of business on a national scale. When all difficulties are considered, he added, it is

(CONTINUED ON PAGE 20)

Sales Meetings in Many Points Listed

Hartford Accident People Will Discuss Surety and Personal Accident

HARTFORD, CONN.—A trek of officials and underwriters from the home and branch offices of the Hartford Accident & Indemnity into various sections has begun. A third group of "Hartford Day" educational meetings is being held next week from Portland, Me., to Los Angeles, and from Tampa, Fla., to Seattle. Members of the fidelity and surety and personal accident departments occupy major places on the program.

Among members of the staff who will participate in the programs are: At Oklahoma City, L. P. Oldham, manager; R. H. Hibbard, assistant superintendent, fidelity department; J. Garneau, personal accident department.

Other Speakers Assigned

At Minneapolis and Sioux Falls, F. G. McVicar, secretary; George Foster, fidelity department.

At Hartford, Wallace Stevens, vice-president; R. H. Dexter, assistant secretary; R. W. Mullen, fidelity and surety claim department; J. A. Young, personal accident department.

At Indianapolis, B. V. Havens, manager; B. C. Lawton, assistant manager; M. M. Thweatt, bonding department; G. S. Cruickshank, special agent.

At Wichita, Kansas City, Mo., and Lincoln, Neb., Paul A. Dow, manager; R. R. Thomas, bonding department; D. H. Geer, special agent, personal accident department.

At Manchester, N. H., and Portland, Me., J. O. Lummis, assistant secretary; W. R. Liedike, assistant secretary; Paul Munger, fidelity department; J. E. Ladish, fidelity and surety claim department; R. G. Maercklein, special agent, accident department.

At Baltimore and Lynchburg, Va., A. P. Weaver, manager; A. E. Trieshman, bonding department; T. R. Barker, manager; J. C. Koziel, special agent.

Other Assignments Made

Detroit and Cleveland, M. W. Heard, vice-president; A. C. Sturm, fidelity bond department; Neil J. Brown, superintendent, accident department.

Albany, Syracuse and Buffalo, W. C. Jansen, vice-president; C. H. Phillips, bonding department; C. Y. Newcomer, special agent accident department.

At Altoona, Pa., Pittsburgh, Toledo, F. E. Bradenbaugh, manager; P. B. Jenkins, bonding department; V. G. Brown, special agent; N. L. Sherman, special agent accident department.

Cincinnati and Nashville, A. C. Posey, vice-president; R. B. DeVore, manager; E. B. Stout, Jr., special agent; R. E. Lloyd, special agent.

Other Meetings Scheduled

Philadelphia and Hazelton, Pa., W. S. Kite, manager; F. W. Moore, bonding department; R. I. Thomas, special agent; H. H. Smith, Jr., special agent accident department.

Nine meetings will be held in the Pacific department under the direction of Joy Lichtenstein, vice-president; four in

Current Problems Are Discussed

Cincinnati Accident & Health Association Conducts Forum

CINCINNATI—Current problems in accident and health sales, claim adjustments and selection were discussed at a meeting of the Cincinnati Accident & Health Association. Sales problems were considered by C. L. Gurney, Mutual Benefit Health & Accident, and W. R. Dignan, W. E. Lord Company; claims by Harry Mack, W. E. Lord Company, and selection by L. K. Cooksey, Hooper-Holmes Bureau.

"It is better to have a hundred reasons to sell one policy than to have 100 policies to sell," declared Mr. Gurney in his discussion on sales. Mr. Gurney said that it took public demand to make sales and the agent's problem was to make a demand for his product by getting a sufficient number of "sit-downs" with good prospects. Effective prospecting can be accomplished by direct mail, cold canvassing, and referred leads, Mr. Gurney said. "Centers of influence" are not synonymous with "big shots," Mr. Gurney pointed out.

Emergency Reserve Fund

In talking to prospects, it is necessary for the agent to picture how a prospect can use an emergency fund in the event of disability. Mr. Gurney cited a number of good openers which he has found effective. "If you are fired from your firm, you expect an advance notice, don't you? With an accident and health policy you can give your family advance notice if you are sick or hurt." "Why don't you compromise with your wife on accident and health insurance as you did with your life insurance?" "Get at least one lead when you close a sale," Mr. Gurney declared.

Mr. Dignan said that there are not many full-time accident and health salesmen. Generally, accident and health salesmen fall into one of three categories: first, accident and health and general insurance; second, general insurance with accident and health as a sideline; and third, life insurance man with general insurance and accident and health as a sideline. "Any contract other than accident and health is a perfect natural for accident and health production," Mr. Dignan declared. He said that the general insurance man is missing the boat if he is not delivering his fire insurance policies when he could cash in on accident and health coverage by doing it. "How much fire insurance have you got on yourself? If you burn down, where are you?" is a good opener for the fire insurance agent.

"Suppose your health cracked; where would you be?" is an opener for accident and health on a plate glass expiration. If the assured has a personal

(CONTINUED ON PAGE 33)

the southern department under the direction of C. F. Baker, manager; five in the western department under the direction of G. H. Moloney, vice-president; and three in the New York department under the direction of Harry A. Kearney, manager.

O'Mahoney Sharply Attacks Critics of Work of TNEC

Wyoming Senator Speaks Before American Life Convention Meeting

There were some fireworks set off at the closing session of the American Life Convention last Thursday afternoon at the Edgewater Beach Hotel, Chicago. Senator J. C. O'Mahoney of Wyoming, chairman of the Temporary National Economic Committee, was the speaker and owing to the investigation of life insurance by the committee and reverberations from time to time, his appearance drew considerable interest. It was evident that Senator O'Mahoney intended to follow very much the line of thought he offered at the insurance section of the American Bar Association in Chicago, simply to defend what the TNEC had done and deny that it had any thought of advocating federal supervision. In fact THE NATIONAL UNDERWRITER wired Senator O'Mahoney at Washington stating what he said would be of importance and requested an advance copy of his address. This publication in reply received copy of the Philadelphia address from him. Relying on this THE NATIONAL UNDERWRITER in its American Life Convention special edition which went to press before the address was given based his part of the program on the manuscript it received.

O'Mahoney Much Aroused

It was evident from the start that Senator O'Mahoney was very much aroused. He began accusations at once declaring that on his arrival at the hotel he had received advices from Wyoming that out of the convention had gone suggestions to agents in that state to work against him in his candidacy for reelection on the ground that he was hostile to insurance and actually favored federal supervision. He also indicated that it had come to him that prejudicial remarks had been made from the platform he was now occupying.

He accused insurance men of misrepresenting his activities to the insurance agents of Wyoming and charged them with attempting to rouse antagonism against him, saying that while he ostensibly did not favor federal supervision insurance yet as he put it, "he kept something up his sleeve." The senator denounced these tactics profoundly and left the impression that since the meeting of the American Life Convention started, telegrams derogatory to him had been sent to Wyoming from its domain carrying this message to the Wyoming insurance people.

He at once launched into a condemnation of misrepresentation and distortion which he threw at the feet of the life companies and other people in the business. He claimed that following his

press conference with the insurance newspaper men he had seen a copy of a dispatch that one of them sent out which practically accused him of playing politics in withholding the promulgation of the official report of the TNEC until after election.

He was impassioned, evidently quite angry and threw aside what he had intended to say and launched an entirely different attack.

Correction by the President

At the close of his address as he still sat on the platform, President C. A. Craig in a very kindly way stated that he desired to correct some impressions that evidently the senator had received. Following the death of President J. B. Reynolds of Kansas City, Chairman Isaac Miller Hamilton of the Federal Life, the only survivor of those who organized the association, makes the motion to adjourn. Mr. Hamilton had a prepared statement which he said represented his own views. Senator O'Mahoney still sat on the rostrum and Mr. Hamilton in his statement accused the federal government with planning to bring about federal supervision, further centralize power, harass business, lay unnecessary burdens on insurance, leave a false impression on the public mind by the manner the TNEC conducted its examination. Mr. Hamilton was very outspoken in the views he set forth.

Charged Attack on Democracy

Senator O'Mahoney was only interested, he said, and so is the TNEC, in maintaining a decent and educational democracy. He attacked those that had disseminated falsehoods and misrepresentations regarding the federal government. This, he said, was an attack on democracy. He said the decisions of a democratic form of government are good when made honestly. Many charges against the TNEC, he declared, have been based on assumption only. He said that there is not the slightest basis of truth that the TNEC has been doing a number of things attributed to it.

Says Charges Are Not True

Senator O'Mahoney said: "The decisions of democracy are good when they are made honestly, when they are made on an informed basis, when they are made with a sincere desire to contribute to the public welfare. They are bad when they are based upon dissemination of falsehood, when they are based upon dissemination of charges that have no basis except those which lie in assumption, in innuendo and suspicion. I have no hesitation in coming before this audience of life insurance men and saying to you that there is not the slightest basis of truth in the charges which have been disseminated among you that the TNEC or any member of its staff or any agency associated with it has been working to accomplish any of those purposes which have been attributed to us."

Democracy cannot survive, he held, if men are willing to disseminate falsehood and misrepresentation of their government and political leaders.

Senator O'Mahoney acknowledged that he was speaking from his heart rather extemporaneously and that he did not have ghost writers to compose his speeches. Probably he was referring to the report that had been going around that his addresses were largely written by Gerhard Gesell, special attorney for the TNEC.

Not Based on Evidence

He accused the insurance people of disseminating accusations that were not based on evidence. In other words, he said that these accusers were willing to proceed on misrepresentation of those with whom they did not agree. He said that the belief of the organization which he was addressing that the TNEC had been inimicable to life insurance was not true at all. He said there is not the slightest evidence that any member of the TNEC or its staff had said or done anything.

(CONTINUED ON PAGE 29)

Gleanings from Casualty Party

"Beaming Jim," venerable captain of the bell boys at the Greenbrier Hotel at White Sulphur Springs, greets new arrivals with the cheery words "Mornin' Boss, would you have a pot of coffee?" and thus started the joint casualty and surety convention there off on the right note. There were many newcomers this year. A. C. Bohen, treasurer Preferred Accident, and Mrs. Bohen attended the meeting for the first time and made many warm friends.

* * *

Mr. and Mrs. Howard Starling accompanied by Mrs. Frances W. Smeltzer drove from Washington with Mrs. Westray B. Boyce, chief of the insurance division of the Rural Electrification Administration, who was the first woman ever to address the joint convention. Mr. Starling is manager of the Washington office of the Association of Casualty & Surety Executives. Mrs. Boyce was enthusiastically received. President E. J. Bond, Jr., Maryland Casualty, gave a breakfast in her honor. Among those present were J. M. Haines, manager London Guarantee; C. W. Fairchild, general manager Executives Association; Kenneth Spencer, president Globe Indemnity, and Mrs. Spencer; William Leslie, manager National Bureau of Casualty & Surety Underwriters, and Mrs. Leslie; C. B. Morcom, executive vice-president Aetna Casualty & Surety; John R. Robinson, assistant manager London Guarantee; Sanford Perkins, Travelers; Mr. and Mrs. S. B. Scruggs, Dallas; Mr. and Mrs. Howard Starling, Mrs. Frances Smeltzer, Harold Phillips, publicity manager National Bureau; Miss Alice Foy and Miss Sarah Senderoff.

GOLF WINNERS

T. E. Braniff, Oklahoma City, won the C. R. Miller trophy for the two days low gross score in the men's golf tournament. Company winners for the first day were W. W. Moorhead, New Amsterdam; Donald Falvey, Massachusetts Bonding; D. V. Kirby, president Western Surety; W. J. Falvey, Massachusetts Bonding, and John R. Robinson, London Guarantee. Agent winners were E. R. Ledbetter, Oklahoma City; C. C. Jones, Kansas City; J. J. Manley, Hartford; H. L. Farish, Oklahoma City, and J. W. Henry, Pittsburgh. Second day company winners were C. L. Phillips, U. S. F. & G.; H. S. Witzel, American Reinsurance; E. J. Donegan, Metropolitan Casualty; W. B. Rearden, Metropolitan Casualty; S. B. Perkins, Travelers. Agent winners were R. L. Korndorfer, New York; R. C. Knox, Hartford; J. E. Hannon, Cleveland; C. M. Bend, St. Paul; C. A. Abrahamson, Omaha. Company winners the third day were G. D. Meade, Glens Falls; Kenneth Spencer, Globe Indemnity; C. B. Morcom, Aetna Casualty, and W. M. Smith, Aetna Casualty. Third day winners among the agents were Frank Mitchell, Newark; J. F. Hickey, St. Louis; J. C. Palmer, Boston, and Owen Mitchell, St. Louis.

Mrs. Sheldon Catlin, Philadelphia, won the prize for the two days low gross score in the women's tournament. Mrs. Donald Falvey, Boston, won the first day low net and Mrs. G. W. Blossom, Jr., Chicago, had the low net score the second day. The putting prize was won by Mrs. R. C. Knox, Hartford.

Mr. and Mrs. W. T. Cline, Chicago, entertained at a cocktail party in honor of Director Ernest Palmer of Illinois, who was recalled to Illinois because of the death of Governor Horner. Mrs. Palmer remained through the convention inasmuch as they had driven to White Sulphur and could not return by motor together.

Mrs. H. P. Dunham was in charge of the ladies bridge tournament. Winners of the sterling silver bon bon dishes were Mrs. V. J. Armstrong, Jacksonville, Fla.; Mrs. F. X. Malley, Meadowbrook, Pa.; Mrs. W. M. Smith, Hartford;

Mrs. J. E. O'Neill, Boston; Mrs. H. S. Landers, Montclair, N. J.; Mrs. Owen Mitchell, St. Louis; Mrs. William Leslie, Scarsdale, N. Y.; Mrs. Howard Flagg, Kansas City, Mo.; Mrs. G. W. Blossom, Jr., Chicago; Mrs. William Leftwich, Jr., New Orleans.

President C. C. Bowen, Standard Accident, and representatives of his company were hosts one night in "Casino Cottage" and gave one of the most delightful parties of the convention.

The Indemnity of North America held "open house" one evening. E. M. Allen, executive vice-president National Surety, and Mrs. Allen entertained at a large cocktail party the same evening.

W. B. Rearden, vice-president Metropolitan Casualty and Commercial Casualty, and Mrs. Rearden attended the convention for the first time. Mr. Rearden was among the golf prize winners.

Mr. and Mrs. Howard Flagg celebrated their 25th wedding anniversary while at White Sulphur. Mr. Flagg is president of the Employers Reinsurance of Kansas City.

The return of C. H. Burras as a speaker spotlighted the banquet. He announced that he was prepared to give a detailed report of all the casualty and surety conventions held in the past 25 years and exhibited a sheaf of papers from which he would draw his information. Startled at this display, Toastmaster Spencer Welton reminded him that the evening was drawing to a close and pleaded for brevity. In the course of his talk Mr. Burras paid tribute to J. G. Yost for the faithful service rendered over many years as chairman of the golf committee. He called Mrs. Yost to the speakers table and on behalf of the two associations presented the Yosts with a silver tray in appreciation. Then in a forgiving mood Mr. Burras turned to Mr. Welton and made a similar presentation to him for his tireless efforts to make the conventions happy and successful ones. This year Mr. Welton was accompanied by his daughter, Miss Betty Welton.

President J. A. Nelson, New Amsterdam, and Mrs. Nelson entertained for representatives of their company. Among those present were Mr. and Mrs. F. H. Strickland, Baltimore; Mr. and Mrs. W. T. Haynes, Maplewood, N. J.; H. N. Douglass, Chicago; Mr. and Mrs. S. L. Dunseith, New York; Mr. and Mrs. Sewell Weech, Baltimore; E. W. Helm, Jr., Philadelphia; C. L. Harris, Cleveland; David Layton, Indianapolis; G. E. Day, New York; C. H. Bokman, Pittsburgh; Karl Preston, Detroit; E. J. MacLeod, Baltimore; Wallace Moorhead, Philadelphia; Thomas Barton, Chicago; Mr. and Mrs. Leon Irwin, New Orleans; Mr. and Mrs. C. H. Ritter, Denver; D. A. Polson, Boston; Walter D. Owens, New York; Boyd Nelson, Baltimore.

The Aetna Casualty held "open house." C. B. Morcom and C. G. Halliwell were hosts, assisted by Mr. and Mrs. Wilmot M. Smith.

The U. S. F. & G. entertained for company members.

The entertainers this year were among the convention people. Mrs. J. S. Pearce played a piano solo and Mrs. Ray Warner sang. S. B. Perkins, Travelers, proved himself adept at the piano in accompanying the "Casualty Choir."

Mr. Welton conducted an "Information, Please" quiz. Participants were H. P. Stellwagen, Gay Gleason, Mrs. J. W. Smith, B. Conway Taylor and C. C. Jones. Mr. Jones won the contest.

A cocktail party given by the two associations preceded the banquet. Mrs. J. J. Graham, Hartford, led in the singing. She has the gracious gift of spreading goodfellowship and gaiety wherever she is. Mr. Graham is vice-president of the Hartford Steam Boiler.

Always one of the most popular ladies at the convention, Mrs. F. H. Strickland was welcomed back this fall after an absence of three or four years. Mr. Strickland, who is vice-president and treasurer of the New Amsterdam Casualty, attended the meeting for the first time.

Winners of the horseshoe pitching contest were C. A. Loughlin and J. P. Gibson. Runners-up were Sidney Hall and Alexander Foster, Jr.

The first snapshot from the Casino showed the "big four" teeing off for the annual game. Members of this famous

Indianapolis Expects Big Mid-year A. & H. Meet

INDIANAPOLIS—Prospect of a record attendance at the mid-year convention of the National Accident & Health Association in Indianapolis, Jan. 28-30, is indicated in a report given by D. G. Trone, Indiana Travelers Assurance, at the October meeting of the Indianapolis Accident & Health Club.

At a recent meeting of the Health & Accident Underwriters Conference executive committee in Chicago, Mr. Trone received assurances from 15 company officials strongly endorsing the plan of setting aside a pre-convention period for regional agency meetings of individual companies. They are planning such meetings for their agents. A number of other companies are expected to take similar action before January.

Mansur B. Oakes, chairman of the mid-year program, reported much interest is being shown in questionnaires recently sent to National association members, concerning the type of meeting they prefer.

John McGurk, Mutual Benefit Health & Accident, chairman executive committee of the Indianapolis club, announced opening of a campaign to secure five new local accident and health associations in Indiana, and a local membership drive.

C. Norman Green, Hoosier Casualty, Indianapolis club president, read an invitation from the Chicago association to the accident and health executives dinner in Chicago Nov. 13, in honor of Thomas Hook, Standard Accident. He appointed Dr. J. L. Rosenstein, Mutual Benefit, chairman of the Indianapolis Club's educational committee.

Would Legalize Self-Insurance

BOSTON—At a conference of Massachusetts industrialists sponsored by the Massachusetts Industrial Council, plans were laid to petition the 1941 legislature for legislation permitting self-insurance for employers financially responsible who agree to pay their injured workmen benefits on the same scale as now provided by the state workmen's compensation act. Allan Johnson of the Florence Stove Co., Gardner, and Joseph A. Parks, former chairman of the Massachusetts industrial accident board, spoke in favor of legalized self-insurance. K. I. Taylor, representing the Federation of Labor, advocated a state fund plan.

foursome are C. W. Fairchild, C. B. Morcom, E. J. Bond, Jr., and J. M. Haines. The game was won by Messrs. Fairchild and Morcom.

When Mr. and Mrs. W. C. Jansen, Hartford, stepped out on the dance floor the first evening at the Greenbrier, they were greeted with the strains of the wedding march. They were married four months ago.

Henry Collins, manager Ocean Accident, and Mrs. Collins attended the meeting. Mrs. Collins was one of the most attractive ladies at the convention and participated in all the activities.

Mr. and Mrs. C. C. Jones of Kansas City motored to White Sulphur with Mr. and Mrs. J. R. Sydnor and went from there to New York.

Kenneth Spencer, president Globe Indemnity, was chairman of the reception committee. He was accompanied by Mrs. Spencer.

General Manager C. W. Fairchild, Association of Casualty & Surety Executives, was congratulated on the excellent program prepared for the convention, which was one of the most successful meetings of recent years. The attendance was large and most representative.

Before the close of the convention executives of the General Accident arrived at the Greenbrier. The company held its annual meeting for officers and leading agents the latter part of the week.

Use automobile quotation blanks to increase premiums. Write Reprint Department, National Underwriter, for samples.

Casualty Agents and Underwriters Reelect Officers

WHITE SULPHUR SPRINGS—At the business meeting of the International Association of Casualty & Surety Underwriters, which followed the final joint session with the National Association of Casualty & Surety Agents, J. A. Diemand, executive vice-president Indemnity of North America, was re-elected president; C. B. Morcom, vice-president Aetna Casualty, vice-president, and C. W. Fairchild, secretary-treasurer. R. E. McGinnis, president Central Surety, was named to the executive committee.

The agents' association also reelected all officers: W. D. O'Gorman, Newark, president; L. H. Webb, Chicago, vice-president, and C. H. Burras, Chicago, secretary-treasurer.

Agents Adopt Resolution

The agents adopted a resolution, following a thought brought out at a round table session earlier in the week, that the cost of doing business both in branch offices and general agencies should be determined and a study made by an independent nationally known certified public accountant; that when such costs shall be determined, they shall be placed on a parity, and in conference it should be determined what classes of casualty and surety business should be subject to a raise in commission and what classes should be subject to a reduction. Where the commission is raised, it was suggested that the home office expense loading be raised and lowered accordingly where the commission on any class of business is reduced.

At the final joint session, Stuart B. Scruggs, Dallas, president American Association of Insurance General Agents, spoke, bringing greetings of his organization to the convention. This is the third time a representative of the general agents' association attended a meeting of the casualty and surety people. Walter H. Bennett, general counsel National Association of Insurance Agents, was called to the platform to extend his greetings to the joint assembly.

Conscripts May Cancel Pro Rata

The National Bureau of Casualty & Surety Underwriters and apparently a large number of the independent companies have agreed to permit cancellation of automobile policies on a prorata basis by any assured who enlists or is called to military service. Undoubtedly, a large number of those entering the service will sell their cars or lay them up. The provision is automatically in effect in open states and filings have been made in the rate regulated states.

Accountants' Meeting

NEW YORK — The Association of Casualty & Surety Accountants & Statisticians will hold its first autumn meeting at the Hotel Pennsylvania, Oct. 18. The program includes discussion of liability loss reserves, Schedule P, Part I; report of the sub-committee on allocation and distribution of expenses; report of accounting committee on reserves for expenses of investigation and adjustment of unpaid claims, and the report of the committee on taxes. Membership consists of 94 representatives of 63 multiple line casualty and surety stock companies.

War Industries Cover Viewed

PORTLAND, ORE.—Coverage on war defense and aircraft industries was discussed at the meeting of the executive committee of the Oregon Insurance Agents Association here.

Qualifying Powers of Sureties Given

The Treasury Department has issued its new exhibit of the qualifying powers of surety companies in respect of bonds running to the federal government. In the following table in the first column is given the qualifying powers of each surety in the treasury list of last April which was based upon Dec. 31, 1939, statements and in the second column is given the new qualifying powers based upon the June 30, 1940, statements. Companies appearing in the list for the first time are American Casualty, Maine Bonding, New England Casualty and Pacific Employers.

	Apr., 1940	Oct., 1940
*Accident & Cas.	\$ 250,000	\$ 250,000
Aetna Cas.	2,214,000	2,101,000
American Bond.	180,000	182,000
American Cas.	55,000	55,000
American Empl.	511,000	495,000
American Genl.	108,000	133,000
Amer. Guar. & Liab.	150,000	147,000
American Indem.	203,000	204,000
Amer. Motorists	201,000	200,000
Amer. Mut. Liab.	801,000	800,000
Amer. Reins.	768,000	682,000
Amer. Surety	1,422,000	1,376,000
Assoc. Indem.	217,000	211,000
*Car & Genl.	150,000	144,000
Central Surety	312,000	319,000
Century Indem.	436,000	431,000
Columbia Cas.	379,000	385,000
Commercial Cas.	252,000	248,000
Commercial Stand.	81,000	74,000
Continental Cas.	882,000	912,000
Eagle Indem.	351,000	332,000
*Employers Liab.	1,362,000	1,444,000
Eureka Cas.	59,000	55,000
*European Genl. Re.	500,000	500,000
Excess	165,000	149,000
Fidelity & Cas.	1,833,000	1,638,000
Fidelity & Dep.	1,186,000	1,246,000
Fireman's Fund Ind.	419,000	401,000
Genl. Cas., Wash.	193,000	188,000
General Reins.	767,000	634,000
Glens Falls Ind.	375,000	344,000
Globe Indem.	1,000,000	1,000,000
Great Am. Indem.	609,000	570,000
*Guar. of No. Am.	166,000	167,000
Hartford A. & L.	2,720,000	2,731,000
Home Indem.	328,000	317,000
Indem. No. Am.	1,100,000	1,047,000
Inland Bonding	50,000	50,000
International Fld.	174,000	176,000
Kansas Bank Surety	51,000	52,000
Liberty Mutual	1,491,000	1,501,000
London Guar.	534,000	541,000
Lond. & Lanc. Ind.	195,000	183,000
Lumb. Mut. Cas.	610,000	603,000
Maine Bonding	60,000	63,000
Manufac. Cas.	408,000	391,000
Maryland Cas.	727,000	550,000
Mass. Bonding	732,000	666,000
Merchants Indem.	219,000	210,000
Mellon Indem.	470,000	416,000
Metropolitan Cas.	270,000	239,000
National Auto.	103,000	146,000
National Cas.	175,000	175,000
National Surety	1,433,000	1,325,000
New Am. Cas.	795,000	845,000
New England Cas.	148,000	148,000
New York Cas.	228,000	216,000
Northwest Cas.	74,000	75,000
*Ocean Accident	561,000	578,000
Occidental Indem.	266,000	249,000
Ohio Casualty	230,000	250,000
Pacific Employers	146,000	146,000
Pacific Indem.	503,000	481,000
Peerless Cas.	110,000	112,000
Phoenix Indem.	340,000	348,000
Preferred Accd.	417,000	331,000
Royal Indem.	1,268,000	1,185,000
St. Paul-Merc. Ind.	447,000	480,000
Seaboard Surety	327,000	328,000
Standard Accd.	530,000	507,000
Standard Surety	216,000	204,000
Sun Indemnity	290,000	281,000
Texas Indemnity	34,000	42,000
Travelers Indem.	1,671,000	1,671,000
Trinity Universal	239,000	239,000
United Pacific	99,000	92,000
U. S. Casualty	348,000	323,000
U. S. Guarantee	972,000	920,000
U. S. F. & G.	1,479,000	1,243,000
Virginia Surety	35,000	38,000
Western Cas. & Sur.	123,000	120,000
Western Surety	79,000	72,000
Yorkshire Indem.	175,000	180,000

*Foreign companies authorized to do reinsurance business only.

Court Stretches Burglary Definition

LOUISVILLE—Burglary underwriters and claim men are interested in a decision of the court of appeals here last week, upholding the conviction of Rueben Hawkins of "breaking and entering, with intent to steal." Hawkins was an employee of the Codell Construction Company and was authorized to carry a key to the company's tool house at Berea College. He was accused of stealing some tools. The lower court rejected his defense that he could not be guilty of "breaking" into the tool house when he opened it with a key which he was entitled to carry, and this conviction was sustained on appeal. Losses of this type have never been

Employers Group Makes Provision for Conscripts

The Employers group announces the provisions that it will make for employees that are called to military service. The program is a temporary one, subject to change at any time. Men without dependents who have been with the group for one year or less will receive one month's salary; those who have been with the group two years will get two months' salary, but not less than \$180; those who have been with the group three years or more will get three months' salary.

The men with dependents will get double that allowance. The salary allowances will be paid monthly during the 12 month period. If the pay including dependent allowances received by the employee for military service exceeds the salary received from the company, the employee will not be entitled to the allowances. In no event will the allowance be in excess of \$750 nor in excess of the amount by which the employee's salary exceeds the pay and dependent allowances received for military service. Pending any federal or state rule to the contrary, the usual deductions must be made for social security taxes from any salary allowance. Group life insurance will be continued without change and dependents' hospitalization insurance will remain in effect, the premium to be paid by the employees. Hospitalization and surgical insurance on employees will be suspended during the period of military service. The pension plan of the companies will not be disturbed.

PROVIDENT L. & A. PLAN

The Provident Life & Accident will pay salaries of employees who volunteer or are drafted, limited to temporary military and naval service during peacetime, according to length of service. Those with the company three years or more will receive full salary for three months; two-year employees, two months, and employees of one year, one month. Employees called into service will be reemployed and restored to positions vacated, or others of like status.

Group life and hospitalization insurance for employees will be kept up for one year at the expense of the company.

Piper Raps Compulsory Critics

BUFFALO—The Erie County Bar Association is "making a mistake" in opposing a compulsory automobile liability law, Assemblyman R. Foster Piper, chairman of the joint legislative committee on insurance, told the Marshall Club, a lawyers' organization.

Declaring he cannot speak for his committee, which still is conducting hearings, Mr. Piper said he favors a compulsory insurance bill for the good of the motoring public, pedestrians and others who may be injured in automobile accidents.

Substitute bills sponsored by the bar association and most of the insurance men were termed "partway measures." He said he did not believe such legislation would cure the present evils.

Rules on Boiler Inspections

AUSTIN, TEX.—The Texas boiler inspection bureau cannot authorize state inspections of boilers already inspected by insurance companies unless in its opinion the boilers are unsafe, the attorney-general has ruled. He cited a statutory provision that owners of boilers inspected by an authorized insurance company inspector shall be exempt from other inspections and fees.

regarded as covered under policies covering only "burglary" and not "larceny" or "theft." While this was not an insurance case and while most burglary policies specifically define "burglary," it is felt that it might be used in some future suit involving insurance.

Lists Benefits of Traffic Engineering

H. F. Hammond Talks at Western Safety Congress on Accident Prevention

PHOENIX, ARIZ.—Throughout the country the new profession of traffic engineering is producing results in accident prevention beyond all proportion to the investment costs. H. F. Hammond, traffic division director National Conservation Bureau, declared in an address before the annual convention of the Western Safety Conference. He described the phenomenal growth of this highly technical profession, but he pointed out that traffic problems were not unknown in the days of Julius Caesar, when parking ordinances were found necessary on the streets of ancient Rome.

The problems of the Roman traffic engineer were elementary compared with those which confront the traffic engineer of today, Mr. Hammond said. The present-day traffic engineer must be engineer, politician, and psychologist all rolled into one. Ultimately, it is believed, traffic engineering courses will become part of the curriculum of every engineering school in the country.

Gives Factual Examples

In describing factual examples of great savings resulting from traffic engineering in cities and states, Mr. Hammond said that typical of these was the construction of blinker lights and a medial guard rail at hubcap height on Ramona boulevard in Los Angeles. This has reduced personal injury accidents from 58, in which eight persons were killed and 69 injured in a period of three years and four months, to an ideal condition of no accidents reported on this strip of improved boulevard in one year and five months following the application of engineering prevention methods.

Mr. Hammond added that the National Conservation Bureau since 1939 has published a monthly series on traffic engineering problems, their solution and the subsequent reduction in accident statistics at each location. This series is distributed gratis to traffic engineers and municipal, state and federal authorities.

Anchor Casualty Broadens Its Auto Liability Form

ST. PAUL—Anchor Casualty has adopted a new combination automobile policy embodying several changes made during the past year by other non-bureau companies. The new contract is broader in several respects than the standard automobile liability policy of the National Bureau of Casualty & Surety Underwriters and the American Mutual Alliance.

The exclusion of liability while the automobile is used for carrying passengers for a charge is eliminated, although that of use of the automobile as a public or livery conveyance remains. The age limit exclusion has been removed and the exclusion under the property damage section of liability for property in charge of or in custody of the assured has been reworded so that damage to rented property, such as garages, is covered. There is no exclusion regarding trailers attached to a private passenger automobile, except where a trailer or semi-trailer is used for wholesale or retail delivery.

The financial responsibility law provision has been changed so that there is no longer any agreement on the part of the assured to reimburse the company in the event it pays a claim which would not have been covered under the policy except for operation of a financial responsibility law. The comprehensive insuring agreement has also been broadened.

CHANGES

Gustafson with American States Casualty Department

C. A. Gustafson has resigned as office manager of the Standard Accident in Indianapolis to go with the American States in its casualty department. Mr. Gustafson had been with the Standard Accident 12½ years, over six of which had been spent at the home office after having taken the Standard's school of instruction course. He was transferred to Indianapolis six years ago.

Hogle Goes with Kelso & Co.

J. M. Hogle, formerly vice-president and general manager Highway Mutual Casualty, Chicago, has resigned and becomes associated with Kelso & Son, general agency of La Salle, Ill., which operates an office in Chicago. Mr. Hogle will devote his time to the Chicago office. He has been in the insurance business for 26 years, having been connected with the Ocean Accident, American Employers, Union Indemnity, of which he was assistant branch manager, and also operated his own general agency in Chicago for five years prior to associating with Highway Mutual.

E. J. Reid with Ririe & Lange

E. J. Reid has become associated with the Chicago agency of Ririe & Lange, which this week moved into new and larger quarters in A 659-61 Insurance Exchange. Mr. Reid will be primarily in charge of casualty operations. The agency has heretofore been mainly interested in marine insurance, but will now aggressively develop a casualty department. Mr. Reid was formerly connected with Fred S. James & Co. and then a good many years was manager of the casualty department of Standard Accident in Chicago. He is a former president of the Casualty Underwriters Association of Chicago.

Boyette to Des Moines

D. E. Boyette, with the Travelers in Kansas City nine years, is being transferred to Des Moines as assistant manager, succeeding John Addy, now in Albany, N. Y. Mr. Boyette recently has covered the Kansas City and western Missouri territory and formerly was in the southern Kansas field.

Milwaukee Company in Colorado

The Northwestern National Casualty of Milwaukee has been admitted to Colorado. Harold Trautmann, general agent Northwestern National Fire, is also general agent of the casualty company.

E. H. Persay, former resident manager of the Liberty Mutual in Indianapolis, has joined the Detroit branch as a salesman in the compensation department.

COMPENSATION

Anchor Casualty's Minn. Policy Situation Clarified

The situation regarding the participation endorsement of Anchor Casualty on compensation business in Minnesota was not completely stated in the article last week reporting the opinion of the Minnesota attorney-general on various participating plans of stock companies. It is true that under date of Oct. 2, the attorney-general held against so-called merit rating retention endorsement of Anchor Casualty. Under this endorsement Anchor Casualty agreed to set aside a percentage of the premium earned during the policy period to pay the first \$100 of each and every loss, the exact percentage set aside to depend

upon the size of the earned premium and to be according to a specified scale. At the end of the policy period, Anchor Casualty deducted from the amount set aside the first \$100 of each and every loss and returned the balance of the amount, if any, to the assured.

However, under date of Oct. 5, the attorney-general gave approval to so-called "dividend distribution endorsement" of Anchor Casualty. It follows the plan that was held illegal except that it makes the return to policyholders contingent upon the directors finding that the profits of the company are such as to justify payment of the balance. Moreover, if payment in full of the balance out of the profits is not justified in the judgment of the directors, then a portion of the balance may be paid.

The attorney-general finds that the situation is entirely different when the profit factor is introduced. "In my opinion," he stated in his opinion of Oct. 2, "the rate law is not violated when a carrier, duly authorized by its charter and by-laws, voluntarily distributes a part of its profits to its policyholders, based upon their individual premium and loss ratio." The criticism of the Anchor's old endorsement was that it was not a profit distribution plan but in the new endorsement the situation has been clarified and Anchor Casualty will continue

to pay dividends to policyholders according to the terms of the endorsement.

The attorney-general, in his Oct. 2 opinion, stated that Anchor Casualty had issued the endorsement which he found illegal, "in good faith for a period of six years under authority of the 1934 opinion."

Ruling by New York Board

NEW YORK—A ruling by the Compensation Insurance Rating Board of this state holds that "no premium shall be charged on moneys paid to employees while engaged in active military or naval service."

Minnesota Rate Hearing Nov. 19-20

ST. PAUL—A hearing has been called for Nov. 19-20 by the Minnesota compensation insurance board to consider 1941 rate proposals of the Minnesota compensation rating bureau.

Mark Mournie, attorney in claim department of the Chicago office of Century Indemnity, has enlisted in the air corps and has been commissioned a second lieutenant. He has been called for Nov. 30. He has been a reserve officer, although not in the air corps.

SURETY

Michigan May Require Bonds from Oil Well Operators

DETROIT—The Michigan corporation and securities commission is considering the proposal to require individuals, partnerships, corporations and syndicates engaged in developing gas and oil wells to be bonded to the commission as a guaranty to stock buyers that their funds will actually be used for development work.

Officials of the Surety Association of Michigan were consulted on the availability of such coverage.

President W. S. Cumming, Maryland Casualty, informed the commissioner that such bonds could in all probability be written since certain other states require them for this class of concern. The proposed bonds would be somewhat similar to the present so-called blue sky bond now written on stock brokers and investment bankers. However, the coverage would be broader and would be more risky from the underwriting standpoint, the association said. The net result of such a regulation would be to curtail the number of operators as

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The Preferred Accident has throughout its 55-year career built up and maintained a progressive staff of agents in all parts of the country with whom its relationship has been friendly and mutually profitable.

The cornerstone of the Preferred's success has been gradual, steady growth, the emphasis being on careful underwriting in both field and home office, and a policy of claim settlements that builds good will among policyholders.

That agents appreciate this program in its broad aspects is indicated by their long time representation of the Preferred.

Automobile Accident Burglary
Plate Glass Liability

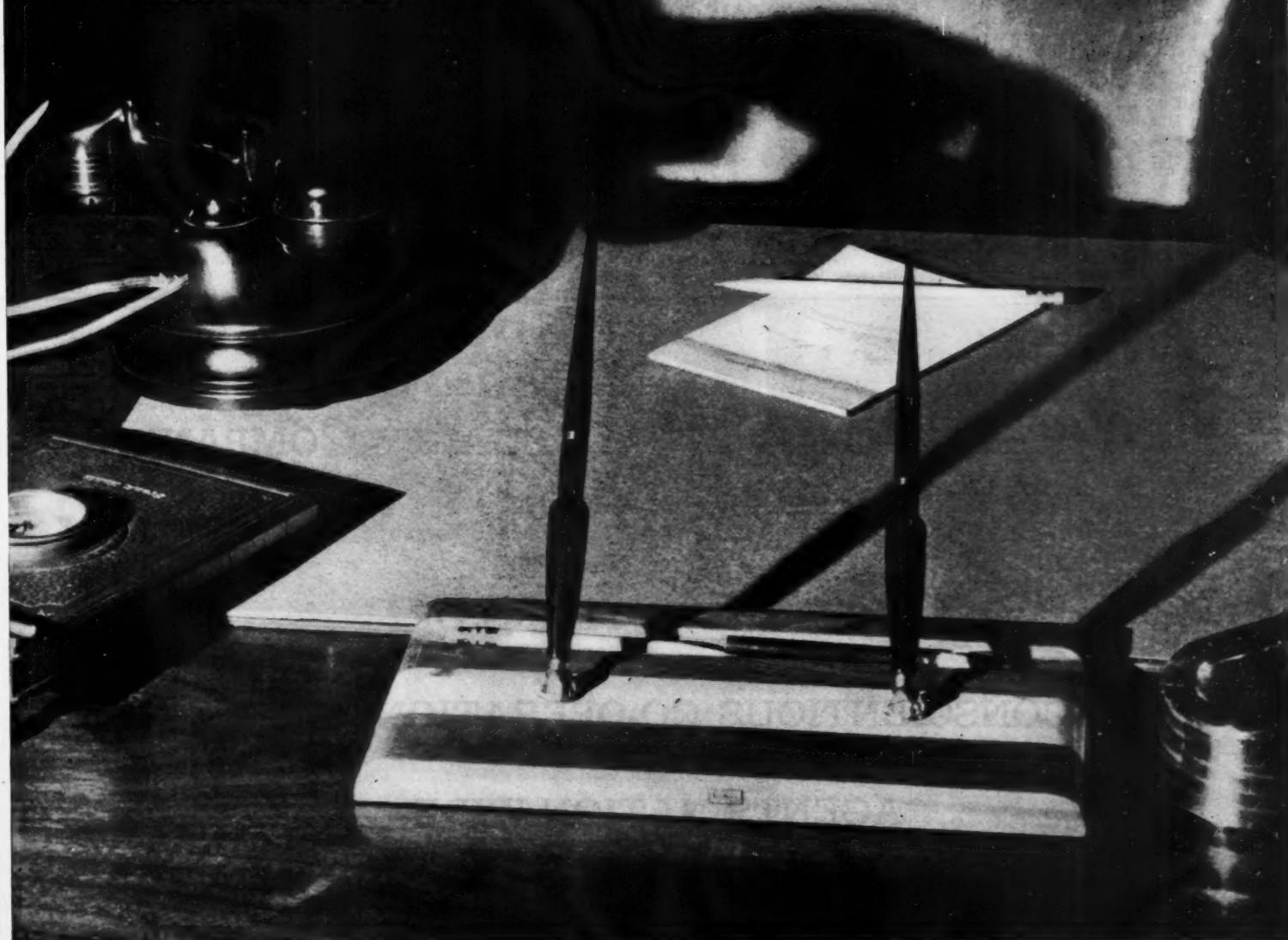
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NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President
FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

CHICAGO

SAN FRANCISCO

NEW YORK

ATLANTA

MONTREAL

probably as many as 75 percent would find it difficult to qualify for the bonds. The present blue sky bond is written in Michigan at a rate of \$15 per \$1,000 of coverage, but it is felt that a similar bond on the gas and oil drilling concerns would call for a higher premium rate because of the additional risk involved.

Chicago Surety Dinner

The October meeting of the Surety Association of Chicago is to take the form of a dinner at the Palmer House Thursday evening of this week. The nominating committee will make its report at that time and the slate will be acted upon at the annual meeting which will take place at a dinner and entertainment in November. The nominating committee consists of W. H. Hansmann, Fidelity & Deposit; J. P. Keever, Maryland Casualty, and J. L. Maehle, American Surety.

PERSONALS

W. S. Paine, manager of the engineering and inspection division of the Aetna Life companies, was elected vice-president for industrial safety at the annual convention of the National Safety Council in Chicago. Mr. Paine, who has prominently identified himself with the cause of safety and conservation, served as the National Safety Councils vice-president for engineering last year.

Ashton Dovell, Williamsburg, Va., a director of the Maryland Casualty and a former speaker of the Virginia house, has announced as a candidate for the Democratic nomination for governor of Virginia.

R. A. Allen, assistant superintendent of agencies of the casualty department of the Travelers, has been visiting Pacific Coast cities. He conferred in San Francisco with Manager Luther Arm-

strong of the department and went on to Los Angeles to spend several days with Myron Platt, recently appointed manager there to succeed W. E. Shiels, retired.

H. R. Kendall, chairman of the board Washington National of Evanston, Ill., has returned to his home after being at Presbyterian Hospital in Chicago where he had a serious operation on one of his eyes. He has not been able to attend to business for some time, owing to this affliction.

Clyde E. Dalrymple, Preferred Accident, Milwaukee, first vice-president of the National Accident & Health Association, will represent that organization at the meeting of the Wisconsin Association of Insurance Agents in Fond du Lac, Oct. 17-18, and also at the meeting of the Illinois Association of Insurance Agents in Rockford, Oct. 24-25.

Frederick R. Pitcher, 69, who was vice-president of the old United States Health & Accident, reinsured many years ago by the Massachusetts Bonding, died in Saginaw, Mich. At the time of his death Mr. Pitcher was vice-president of Stylecraft Studios.

John H. Devlin, Jr., 40, Clifton, Mass., for 13 years an adjuster for the Employers Liability group, died at a hospital in Boston after a short illness.

ASSOCIATIONS

Los Angeles Adjusters Hear Reports on Bar Meetings

LOS ANGELES—The Casualty Insurance Adjusters heard reports from the meeting of the American Bar Association, the International Association of Insurance Counsel and the California State Bar.

Forrest A. Betts reported on the American Bar Association convention. He said the records of the association

show the insurance section is the most active of all the sections. He said that the committee on adjusters reported that it had received 100 percent cooperation from insurance companies and the state committees and that apparently the question of the activities of lay adjusters now is solved permanently. He also reported on the Association of Insurance Counsel.

Clyde Harrell made the report on the State Bar meeting, urging formation of a Defense Counsel Association. This met with favor and President Thomas named Mr. Harrell as chairman of a committee to take up the matter and report at a future meeting.

The annual dinner dance will be held Nov. 15.

Plan Iowa Educational Series

DES MOINES—B. C. Hopkins, past president of the Iowa Association of Insurance Agents, addressed the Des Moines Casualty & Surety Club, explaining plans for holding educational insurance forums next spring. He reported that a series of forums similar to those held last spring will be conducted over the state, with speakers discussing fire, casualty and surety problems.

A. W. Nixon, Maryland Casualty, president of the club, and E. V. Proudfoot, Travelers, were named to a committee to meet with a similar committee of the Iowa Fire Underwriters Association to work with local agents in establishing the forums.

Ohioans Discuss New Coverages

John H. Parks, Royal Indemnity, Cleveland, led a general discussion on new coverages being developed in casualty lines at the October meeting of the Ohio Association of Casualty & Surety Managers. The next meeting will be held on Nov. 11 in Columbus.

Write more accident and increase your income by reading **Accident & Health Review**—\$1 for six months, 175 W. Jackson Blvd., Chicago.

COMPANIES

Continental Casualty Examination Report Issued

In the convention examination report of Continental Casualty as at Dec. 31, 1939, the general contingency reserve is entered at \$2,079,111 as compared with \$1,800,000 as reported by the company. The examination confirms the net surplus of \$6,822,050. Capital is \$2,000,000. The examination was conducted by Indiana, Kentucky, New Jersey, Oklahoma, Pennsylvania and Utah.

The report states that Continental Casualty is conservatively and economically managed. "The liquidity of its assets and its current income have enabled the company to meet all cash demands and to maintain at all times a good cash position," the report states. "The company maintains ample reserves to satisfy any and all liabilities." The report states that Continental Casualty is willing "to be fair in its adjustments where it is reasonably shown that it is liable and that it is not the general practice to withhold payment of losses on technicalities. Litigation appears to be avoided if possible."

Secures Contribution Certificate

LOS ANGELES—Guarantee Limited Mutual of Los Angeles has been granted a permit by the division of insurance to issue a contribution certificate for \$25,000 to Evan S. Pillsbury II, of Santa Barbara, to meet the needs for expansion. The late Joseph Archambault, Santa Barbara, was the principal financial backer of the company. Trustees of his estate did not approve of putting in additional capital now.

Mr. Pillsbury and J. D. Paxton have been named directors. As of Aug. 31, assets were \$372,430, surplus \$185,763. Premium income for the year will pass the \$300,000 mark.



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ACCIDENT AND HEALTH

Limited Policies Are Attacked by Payne Cal. Association's Program Announced

PHILADELPHIA—The sale of limited accident policies was decried as leading to complaints on the part of the insuring public and as harmful to the business in the long run by Raymond A. Payne, assistant secretary Travelers, at the first fall meeting of the Philadelphia Accident & Health Association.

A recent survey showed a majority of agents are strongly opposed to the issuance of limited form accident policies, he declared.

"Are we to continue making progress in broadening coverage or are we now going on a price basis? Are we going to reduce benefits, inject limitations and whittle the price down to an unsatisfactory basis for everyone? I think not. I am positively convinced that we cannot progress in that manner," he declared.

In dealings with state insurance departments, Mr. Payne has found that most complaints from policyholders come from misunderstanding and that the majority of them are from persons insured under some form of limited accident policy.

Admitting the subject to be highly controversial, Mr. Payne contended that limited policies are not good for the business; that they stymie the agent from ever selling a full coverage form while leaving the door open to his competitor, and that "there are a great many men who would prefer smaller amounts of full coverage than larger amounts of limited coverage." He compared the limited form to having fire insurance on the living room and front porch only "and when the kitchen and other rooms burn, there is no coverage."

Although the automobile is one of the most serious claim factors, it accounts for only about 22 percent of accident claims, he pointed out.

Mr. Payne was critical of non-occupational coverage, as he predicted its growth would create more misunderstandings, more embarrassment and more dissatisfaction, all to the detriment of the business.

Touching on war clauses, Mr. Payne said that "during the World War, the companies extended policies without extra charge to cover military training in the United States and Canada. Some companies also quoted rates for unrestricted military and naval service. I believe you will find the companies equally as liberal during the military training days now upon us. In fact, announcements have already been released by some companies."

Turning to aviation, he said: "The premium computation does not contemplate this hazard but the companies have gone as far as they can for the present in covering while riding in regular commercial airliners over land. Some day, experience may indicate justification for a further extension in this regard."

Mr. Payne asserted that if the agent is to raise his sights and be successful, he must sell full coverage accident insurance "even though this may not always be in the line of least resistance."

E. S. Waller A. & H. Head of Maryland in New York

Edwin S. Waller has been named manager of the accident and health department in the New York office of Maryland Casualty. Mr. Waller has had long experience in underwriting and production work in the accident and health line. In the insurance business for 22 years, he has been chiefly engaged in accident and health underwriting in New York. He succeeds Fred G. Burgoyne who recently became superintendent of the accident and health department at the home office of the New Amsterdam Casualty.

The completed program for the annual meeting of the California Association of Accident & Health Insurance Managers Clubs, to be held at the Clift Hotel in San Francisco, Oct. 18, has been announced.

John H. Casenave, Hartford Accident,

San Francisco, president of the state association, will preside at the business meeting which will open the session and will extend a welcome, with response by Byron D. Williams, Connecticut General Life, president of the Los Angeles club. The joint legislative committee will present its report and new officers will be elected.

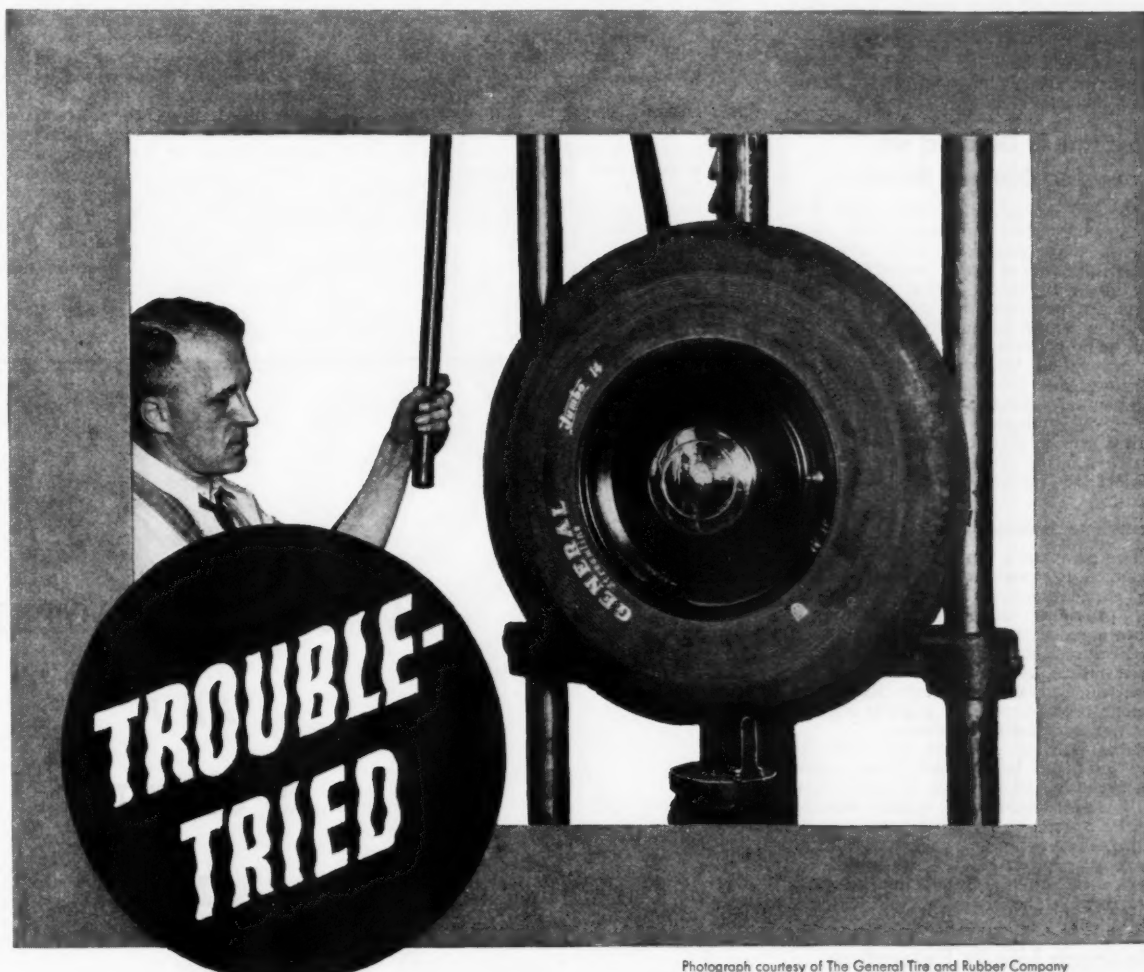
E. J. Miller, Massachusetts Bonding, president of the San Francisco club, will preside at the speaking session. Harold R. Gordon, executive secretary Health & Accident Underwriters Conference, Chicago, will speak on "We Point with Pride," and Dr. L. H. Garland, secretary San Francisco County Medical So-

ciety, on "The Doctor Looks at State Medicine."

C. C. Washburn, Preferred Accident, general convention chairman, will be toastmaster at the luncheon. Mayor Rossi of San Francisco will extend a welcome from the city, S. L. Weinstock will give greetings from the insurance department and Paul C. Dana, San Francisco attorney, will speak on "Americanism."

Program for Afternoon Session

The newly elected president will have charge of the afternoon session. Speakers will include F. B. Alldredge, superintendent accident and health depart-



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ment Occidental Life, on "Trends, Tendencies and Opportunities;" H. G. Baine, San Francisco, manager medical insurance department Associated Indemnity, "Good Health on a Budget Basis;" Otto Kloppenburg, Hartford Accident, Los Angeles, "Personal Accident Insurance and the Multiple Line Agent;" J. J. Miller, special counsel Individual Enterprise Alliance, San Francisco, "Encroachment of Government on Individual Enterprise in California;" and C. Devens Holman, Travelers, San Francisco, "Systematized Soliciting." R. Marvin Greathouse, Connecticut General Life, San Francisco, will give a sales demonstration on accident insurance and there will be a general discussion of any accident and health matters of interest.

There will be a dinner and entertainment in the evening, preceded by a good fellowship hour.

Position Is Defined on Covering Men in Service

General Accident has announced that accident and health policies, either commercial or industrial, on those who may enter military or naval service will be continued in force during peace time service if premiums are paid when due, but for single indemnity only. There will be no prorating of claims for change in occupation for those serving in the 48 states and District of Columbia, except actual submarine or aviation service. Policies lapsed on account of entering service may be reinstated within 60 days after discharge from service, subject to execution of certificate of health.

Terminate Hospital Coverage

The company's representatives will be expected to terminate all hospital-medical expense policies and to remove riders providing such coverage. It is recommended that policies containing medical reimbursement coverage be revised either by removing the rider or rewriting on full coverage forms. A similar recommendation is made regarding non-occupational policies.

New policies will not be issued to any one who has actually been called to service or who intends to enlist. Until further notice, men within military service ages, who have not been actually called, may apply for all regular forms of coverage, but if they are called for service the policies should be rewritten as indicated above.

Monarch Life Is Extending Its Training School Plan

The Monarch Life, which since July 1, 1939, has maintained a permanent training school for agents in the middle west at Michigan City, Ind., in which more than 120 men have received the equivalent of three weeks' training each, is moving that school Nov. 1 to Oak Park, Ill., Chicago suburb, to provide greater accessibility and facilitate company participation.

Jack Follett of Kalamazoo, who has been in charge of the Michigan City school since its inception, has just been appointed general agent for western Michigan. He has been with the Monarch for nearly 12 years as salesman in Michigan and supervisor before taking up the Michigan City training work. He is succeeded in charge of the western school by A. A. Altermatt of Des Moines, who has had considerable experience under Manager R. V. Lynch of the Minneapolis agency and as a supervisor.

Eastern School Established

Because of the notable results obtained in the western school, a similar school for eastern agents has been established at Tannersville, Pa., in charge of W. R. Hill, who has extended sales experience and has worked as supervisor in Baltimore, Philadelphia, Boston and New Jersey.

Alan W. Crowell, agency secretary, has been placed in charge of the selec-

tion of men who desire to attend the Monarch schools and the training curriculum at the schools.

N. Y. A. & H. Club Meets

NEW YORK—The Accident & Health Club is holding its first dinner meeting of the season this week. Movies of the last two outings will be shown. Members will vote on changes in the constitution and by-laws and will elect a nominating committee.

Canadian Forms Discussed

TORONTO—The extension of the issuance of accident and health policies in ticket form to other than transportation companies was rejected at a special meeting of the Association of Superintendents of Canada.

The relation of hospital association contracts and accident and sickness policies was discussed and it was recognized that certain problems undoubtedly would arise which might have to be settled by legislation.

The proposed definition of group accident and sickness insurance created some difference of opinion. Although the special committee reported that all insurers were agreed as to restricting groups to employer-employee relationship, some held that this assumption

was not correct. It was decided that the report should be submitted to all companies for comment and criticism.

B. H. Handy, president of the Mutual of Richmond, Va., industrial life and sick benefit company, was called to Waugh, Ala., by the death of his father, Rev. Thomas R. Handy, 91.

Will Meet in Worcester

The Association of Insurance Company Buyers will hold its next meeting Nov. 12 at Worcester, Mass., as guests of A. W. Johnson of the State Mutual Life. The subject will be "Lighting." The October meeting was held in Cambridge, Mass., the afternoon being spent with W. G. Morse, purchasing agent of Harvard University. There was a round table discussion on the duties of purchasing agents. J. P. Wernett, associate professor of business economics at Harvard, was a speaker at the banquet, his subject being "War Time Purchasing Problem." W. B. Joyner of London & Lancashire Indemnity at Hartford is president of the organization. A. R. Hobbs, Massachusetts Bonding, vice-president, J. A. Young, Monarch Life of Springfield, Mass., secretary. Mr. Johnson is a member of the executive committee.

Manager Fairchild Visits Two Western Points

C. W. Fairchild of New York City, general manager Association of Casualty & Surety Executives, was in Indianapolis Wednesday and will arrive in Chicago Thursday. While in the latter city he will confer with some of the casualty people regarding the establishment of a western office in that city to represent his organization. This has been under consideration for some time, but the demands did not seem serious enough to warrant a western representative. Some of the western officials now feel that the time has arrived when the association should have someone stationed in Chicago who is in close touch with western affairs. Mr. Fairchild will look the ground over and then will return to New York and confer with his committee.

Casualty Actuaries to Meet

NEW YORK—The annual meeting of the Casualty Actuarial Society will be held in Hotel Biltmore Nov. 15. Members having papers in preparation are urged by Secretary Richard Fondiller to send them as soon as possible in quadruplicate to the editor.

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AND

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AS AN OAK

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(CONTINUED FROM PAGE 21)

generally conceded that the record is a bright one and that the failures and losses were less than might have been expected.

Problems of Life Companies Greatest

The life companies, because they invest in fundamental things of value, the railroads, the utilities, the great industries, real estate mortgages, and government obligations, have the most difficult problems to face. The average return on their investments has fallen from about 5 to 3.3 percent. They find it difficult to make new and safe investments even at reduced earnings and they are still writing off losses from real estate and railroad securities, which were incurred through no fault of their own, he said.

Despite all this, the surplus of these companies has constantly increased and the excess of assets over liabilities has decreased but slightly in the last 10 years. Favorable mortality and decreased dividends have been highly responsible. Policyholders who grumble about lower dividends should realize that ultimate safety is more important than immediate return, he said. Those companies which are conservative in declaring dividends are deserving of praise rather than censure.

Both fire companies and casualty and surety companies have had a good experience in recent years, Mr. Pink continued, in that they have not only gained much in knowledge but their surpluses have increased and there is a far more conservative relationship between capital and outstanding obligations. They were never in better trim to assume new business and to weather the difficult conditions the world upheaval may bring, he said assuringly.

Advocates Simpler and Wider Coverage

Mr. Pink advocated simpler policies and wider coverage and commended the casualty companies for their efforts in that direction. He contrasted the status of insurance under a self governing and democratic country with that of the business in dictator nations. He said the United States must not only stand behind and help Britain, who is valiantly fighting for life and for a free world, but also the many peoples and countries made devastate in this cruel and senseless struggle.

"We must not repeat the folly of the last war," he said. "We must be broad enough, big enough and wise enough to help even the dictator nations accommodate their peoples to a world of law, of equal opportunity to trade, of individual rights and of justice."

George Manzelmann, manager insurance department Illinois Chamber of Commerce and newly elected president North American Accident, presided.

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WANTED

Field man for Wisconsin. Familiar with automobile, fire and inland marine. Give experience, reference, age, and salary expected. Address M-29, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Among the guests he introduced at the luncheon were T. F. Cunneen, manager insurance department United States Chamber of Commerce; Commissioner Ernest Palmer of Illinois, Commissioner J. M. McCormack of Tennessee, Hugh Cross, speaker of the house of Illinois, and H. Styles Bridges, Republican senator from New Hampshire.

W. G. Lutz to Address Bankers

William G. Lutz, chief underwriter for Standard Accident in New York, will discuss "The Fundamentals of Compensation Insurance Rating" at a meeting of Bankers Insurance Forum there Oct. 29.

Attacks Critics of Work of TNEC

(CONTINUED FROM PAGE 22)

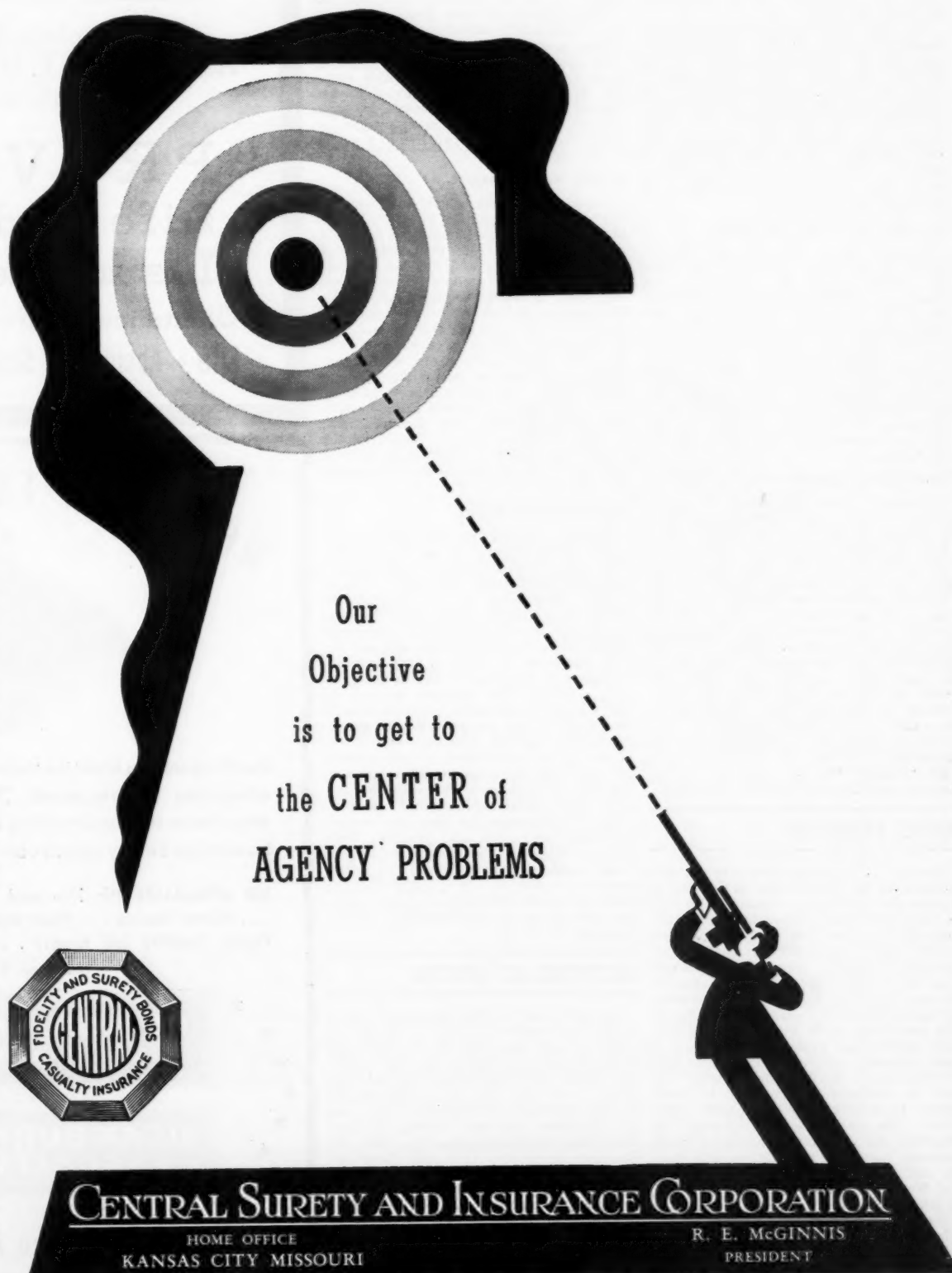
1. That would weaken state insurance supervision.
2. That would confiscate any insurance assets.
3. That would tend to divert life insurance funds to venture capital.

Dangerous Threat to Democracy


One of the speakers at the Insurance Section American Bar muster at Philadelphia, he said, had openly stated that the federal government would even-

tually take over insurance assets. Such an accusation, he declared, is a dangerous threat to democracy. A threat of this kind, he said, could only be conjured up in the mind of the person who made it. He said that threats of this character, which were entirely untrue, bruited abroad, only weakened the position of those that were attempting to defame character.

In referring to the American Bar Association speaker who said it would be



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difficult to conjure up any more terrible threat to democracy than for the government to take over life insurance assets, Senator O'Mahoney said, "It would indeed be difficult to conjure up any more difficult, any more dangerous threat to democracy than that, but I said happily the threat has been merely conjured up, created out of thin air, disseminated by men, though they themselves are sometimes associated with life insurance, who are willing to weaken the confidence of their own policyholders in this great American institution. Who represents life insurance if he is willing to spread abroad among policyholders an outrageous defamation of that character? A man who sits as a member of the board of directors of a life company and without the slightest evidence, without any report or recommendation, without a scintilla of evidence, without a line from any member of the TNEC, to spread the word among those whose hope in life is dependent upon their confidence in the institution of life insurance?"

He said that these people who had circulated reports of this kind were attempting to create fear among policyholders. In other words, as he put it, "You are destroying the house in which you live." He denounced such tactics as outrageous. Disseminators of such rumors are playing golf without golf balls, he said. It is very difficult, he continued, to meet people who misrepresent facts and deal with them in a frank and honorable way.

Inception of TNEC Movement

He referred to the inception of the TNEC movement. He said that when the studies began the statement was openly made that any developments that might come out of the hearings and studies need not disturb the mind of any policyholder. He said that life insurance companies are highly efficient and well managed as a whole. He said that nothing developed in the hearings that showed anything to the contrary. Life insurance, he asserted, is based on the social concept of the importance of the individual.

Should Be in Sympathy with TNEC

Senator O'Mahoney said, "If any group of men or women should be more in sympathy with the work of the TNEC than life insurance people I don't know who it is because the sole purpose of this body is to develop in a sane and objective manner fundamental facts with respect to our economic system, the object of which is to stimulate and protect free private enterprise. When President Roosevelt sent his message to Congress in April 1930, urging that a study be made of the concentration of economic power, he said that some effort should be made to determine why in an age of plenty, men and money and machines, all seem to be idle. He made it clear in that message that his purpose was to protect traditional American enterprise."

TNEC PURPOSE

Senator O'Mahoney said that the sole purpose of the TNEC was to develop in a sane and intelligent manner facts that would protect and stimulate free private enterprise. One of the things that TNEC desired to study was the concentration of power. Senator O'Mahoney said that in the TNEC study of concentration of power it dealt with anything pertaining to men, money and machines. He said that while institutions of size and wealth are prosperous there is a vast amount of unemployment. The TNEC desires to find the answer. He said it sought to learn how it could better protect all well ordered enterprises. He stated the TNEC sought to ascertain the investment needs of small business men. A monograph was gotten out, by it, he said, entitled "Financial Needs of Small Business Men," of which he is very proud. It suggests ways and means of free private enterprise to be reestablished and protected.

Senator O'Mahoney introduced the resolution creating the TNEC. He said

that it provided for three members of each of the legislative branches of the government, three from the executive branch and three from departments. He said that it provides for bi-partisan representation. It was the aim, he said, to attain a well rounded, unprejudiced body.

Has No Legislative Power

He explained that the TNEC had no legislative power. It is not a legislative committee. It cannot report out a bill. The only power that it possesses, he said, is to study a situation and make a report.

He declared that the newspapermen who attended the TNEC hearings undoubtedly were disappointed because there was not much of a sensational nature that came out as anticipated. He said that it is very easy to make headlines and to write dramatic stories out of small episodes. There were no charges made and nothing sensational came out of the hearing. He said no recommendations have been made by the examining attorney. He treated everyone he said fairly and courteously. The committee intended to be friendly in its relationships. It was simply seeking, he said, to find a solution of fundamental problems. Its business, he said, was to discover how democracy can be preserved and how it can live in a world of organized effort.

Attack on Newspapers

Senator O'Mahoney said in regard to the newspaper people at the TNEC hearings that they sought to make a dramatic charge or denunciation of what it was doing and did not hesitate to call the TNEC people horse thieves. He said, "I regret to say that that is the method which is being employed against us but it is not the method that the TNEC employs. I came into this room this afternoon and one of the gentlemen here stopped me at the door to thank me for the fair hearing which he had at my hand. I do not think he was altogether satisfied with the treatment he may have had at the hands of the examining attorney. That may be true but he has no recommending or legislative power."

Organized Life Today

Senator O'Mahoney said that men today cannot achieve by unaided efforts. Life in the old days was simple but organization has taken the place of individual enterprise. It is difficult, he added, to stabilize employment because people do not understand or recognize the changes that have come about. He said that what is sought is economic independence, freedom of thought, action and religion. He referred to one of the former presidential pronouncements to the effect that the government should be taken out of business and there should be more business in government. He said that the government belongs to the men and women who want to preserve their unalienable rights. Government and business, he said, are created to serve the people and preserve their rights. However, as time goes on, he said, people should recognize the difference in conditions. It is impossible, he said, to compare the organizations of today with those of the Declaration of Independence days.

GETTING AT FACTS

He referred to life insurance as a sacred institution and said it should cooperate with the TNEC in what the latter is endeavoring to do. It is simply trying to get only facts, he said. The TNEC, he said, has not criticized size of life insurance companies. They are organizations, not men. Many of these have large physical assets. There are billionaire companies. He said there are but 10 states that do have an assessed valuation of more than a billion dollars. Some have less than that. In considering these giant institutions he said it is necessary for the government to protect the political liberty and economic security of the people. Life insurance



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companies, huge and smaller, he said, are highly beneficial institutions. The people need them. While building these great institutions, he said, it must be remembered that there is unemployment and the problem of small business is at hand. He said that while these institutions are making profit and looking out for themselves they condemn the TNEC for what it is trying to do. He said that a number of large business institutions made 83 percent more net profit last year than they did in the past. He said there are 699 big corporations whose profit was \$1,250,000,000. He asserted the government is not interfering with business and its profit. There is need for the billion dollar corporations, he said. Their assets increased to \$56,000,000,000 from \$53,000,000,000 during the year.

Billionaire Corporations

Senator O'Mahoney, in speaking of billionaire corporations, saying there are 30 such in the United States, declared that the fact remains that while "we have been building these great, beneficial organizations, unemployment has been a problem with us, too, and the problem of small business has been with us. We are not going to find our way out of this economic condition in which the whole world finds itself by misrepresenting the purposes of public servants. We cannot solve our problems by mobilizing discontent."

People Should Be Informed

Senator O'Mahoney said that people should be informed and educated. They should know all about these corporations because an informed democracy is essential. It is based on fair play and decency, he said. There must be a regard for the other man's point of view.

Concentrated power, he said, may deny liberty of speech of those that it wants to control. It tries to suppress people. He further said, "If we tremble every time we express an opinion on a subject because we do not agree with someone else that tends to sow the seed of discontent. It is control by fear."

Government Problems Not Solved

Business has not yet solved many of its problems, he said, and government has not solved its problems. It is highly necessary, he said, to adjust human life to modern instrumentalities. People must be given a chance to work, live and be secure in modern life. Senator O'Mahoney said, "We should all be working to save free government and private property."

Senator O'Mahoney said that he did not know a man in public office in Washington of any nature who is not moved by this same idea. All desire, he said, is to preserve the institutions that are held sacred. People should have faith, he said, in one another and faith in their government. He made a plea for undivided action in defense of free institutions. He said issues should be thrashed out in a democratic way. He hoped, he said, that the majority will always be right.

All Office Holders Sincere

In regard to the Washington situation, Senator O'Mahoney said: "I am working to save private property and I can say to you with absolute sincerity that I don't know a man in Washington of any responsibility in government who is not moved to the same idea. I don't know a man in Congress, I do not know a man in the executive arm of the government whose desire is not to preserve the institutions which we hold sacred. That is a job which can be accomplished only in a spirit of tolerance and good will. Distortion can change the aspect."

Senator O'Mahoney was very vehement, impassioned and forceful in his address. Evidently he had been worked up to a high spirit of indignation.

Corrections by the President

At the close of Senator O'Mahoney's address, while he still sat on the platform, President Craig said that he desired to set him right on some of his statements. He expressed appreciation

of Senator O'Mahoney's accepting the invitation to speak and for his frank manner.

Then Mr. Craig said, "You spoke a while ago of the evils of misrepresentation. May I tell you in all frankness, and I call every member of this organization present to witness, that there has been no intimation made by any speaker in this conference that it was the purpose of the government to take over the assets of life companies." Senator O'Mahoney in reply said, "I understand that. I agree with you."

Continuing, President Craig said: "Not only that but it has been stated and I made the statement myself that I did not believe it was your purpose, and I was taking your word for it from what you had said on other occasions, that I did not believe it was the purpose of the TNEC even to suggest federal regulation. I did state, however, in that connection, that no such statement had come from the SEC. I believe I am right in that, am I not?"

Senator O'Mahoney said, "Yes, I suppose you are. The SEC has made no report."

Not Tinctured with Prejudice

President Craig continued: "Now another matter. I don't believe there has been any thought on the part of anyone that either your organization or the SEC particularly now—I do not say the SEC because it hasn't spoken—that there has been any thought on part of anyone that your organization or your committee did not go ahead in fairness. I particularly stated in what I said that I did not believe the TNEC was tinctured at all with prejudice against the life companies."

Senator O'Mahoney remarked, "You are quite correct about that."

President Craig then said, "I did not say as much for the SEC and the manner in which some people were treated in the investigation that was made. I want to clear your mind of some reports that have perhaps come to you that are altogether misrepresentations, unfair not only to this organization but to you. Now if any reports have gone from this convention to your home I assure you it is somebody's personal action and this convention had nothing whatever to do with it. Again I want to thank you for coming here. We all endorse the sentiment that you expressed so wonderfully well in your very patriotic address."

Press Conference

At the press conference, Senator O'Mahoney was asked whether there would be any further hearings on insurance before the TNEC. He said that there might be a free for all hearing where anyone could attend, critics, economists, observers, authorities, etc. He said that in these studies it was the aim to investigate the financial side and find out how funds are invested. The TNEC, he declared, desires to stimulate free business. It was seeking to find the way to establish free enterprise.

He was asked whether the TNEC intended to investigate fire and casualty business. He said that probably not as there would probably not be any time to do it. However, he added, "We have had many requests for such an inquiry on part of business men."

Greer Addresses L. A. Claim Men

LOS ANGELES—John Greer, administrator of the insurance and benefit plan of the Union Oil Co., addressed the Life & Accident & Health Claim Association and explained workings of its plan. He also spoke on the growth of medical and health insurance in industry.

Golden State to Be Old Line

LOS ANGELES—Golden State Mutual Life, one of the two Chapter 9 companies (stipulated premium with right of assessment) given a clear slate and a renewal certificate of authority by Commissioner Caminetti, has taken another step forward in its plan to be-

come an old line legal reserve company. It has been authorized to issue certificates of contribution to produce \$200,000 to complete its capital structure necessary for transformation. It has already reserved \$100,000 for that purpose.

This is the only one of the Chapter 9 companies operating outside of California, being licensed in Illinois. The company is owned and operated by Negroes, and sells business only to Negroes. It writes life and accident and health.

Frank Grothe Is Made Assistant in Chicago

K. O. Saunders of Chicago, resident vice-president Globe Indemnity, announced this week the appointment of Frank G. Grothe as assistant manager in the Chicago department, having complete charge of casualty underwriting. T. P. Cunningham is the assistant manager in charge of surety and fidelity business. E. J. Halleman, who has been casualty underwriting manager, has resigned. Mr. Grothe has been connected with the home office of the Globe Indemnity, handling field underwriting and production of special risks such as comprehensive liability, long haul truck insurance and retrospective rating. He

is regarded as one of the best informed young men in the casualty field. He has had a very fine training.

He traveled for the Continental Casualty in Illinois and then was called to the home office as casualty underwriter. Later he went with the Ohio Casualty at Hamilton, O., at its head office, then from there to the head office of the Globe Indemnity. In addition to his knowledge of the business, he is an energetic and enthusiastic man having all the qualities of salesmanship as well as underwriting.

Iowa Mutual Liability Rally

The Iowa Mutual Liability held a three-day meeting at Cedar Rapids. Speakers were R. J. Mills, secretary and general manager; S. E. Coquillette, treasurer; H. D. Durham, assistant treasurer; and Dr. D. E. Beardsley, director. G. W. Hopkins, agency supervisor, was toastmaster at the banquet.

"Workmen's Compensation" was discussed at a meeting of the Rotary Club of Jonesboro, Ark., by Eric Rogers, former president Arkansas Association of Insurance Agents. He gave a thorough review of the proposed law which is to be voted on in the November election.



"Pioneer Steps in Insurance"

The American Casualty Company has made its "Pioneer Steps" in the insurance field, mainly because it has planned ahead.

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(CONTINUED FROM PAGE 6)

case resulting from the aid of a driver, but it is felt that usually the humanitarian side of such a case would defeat any intentions on the part of a shyster lawyer or ambulance chaser. One fleet of 250 drivers along the Atlantic coast has been trained in first aid and last year was given credit for saving five lives. Also it was pointed out that they probably saved many disablements with proper treatment immediately after an accident before hospital units arrived.

McCracken Speaks for Companies

When it was stated that insurance companies had at first objected to the mobile units of first aid, Mr. McCracken spoke on behalf of the companies. He said the few cases that might arise would certainly be worth all the losses that drivers save companies. He was very effusive with his praise for the mobile units that had been organized by the bigger long haul trucking companies.

Quite a bit of comment arose on whether a stand-up vehicle was more hazardous. The people that had had any experience with them claimed that with certain precautions they are just as safe to operate and are time-savers, but are good for city routes only, such as dairy and bakery delivery. It was found that the drivers had the tendency to leave the cab before it completely stopped, and were often knocked down and run over by the back wheels. Many times, too, they were thrown out of the cabs when going around corners at a fast rate of speed. To eliminate this hazard, it has been found practical to lock the left hand door entirely. The driver is safest entering and exiting from the right hand side. This avoids the possibility of his being thrown out and also avoids being hit by another car when getting out on the street side. It must be impressed on drivers not to leave their car until it is completely stopped, this doing away with the possibility of being run over by the back wheels.

SCA Files Brief with All States

(CONTINUED FROM PAGE 3)

ume," the brief states, "then it could be well asked—why should not others offering similar volume be entitled to discount? For instance, why could not a large lumber company furnishing material for thousands of individual homes offer to insure all these properties, advancing insurance premiums and in turn collect from the home owners precisely as does the HOLC? Very frankly, should such a proposal be made and should it have similar basic conditions . . . then the companies and the departments may well want to consider the situation. Sufficient for the time to note that there is no similar situation anywhere, and therefore, there is no existing discrimination against anyone.

"The individual home owner procuring his insurance through this HOLC arrangement cannot be said to be favored over his next-door neighbor because he does not receive any part of the compensation made to the HOLC.

The home owner pays exactly the same rate as does his neighbor."

The brief cites a court of appeals decision with regard to an anti-rebate statute affecting common carriers to show that "an allowance for services does not constitute a rebate."

The brief points to the method of premium collections, inspection service, minimized adjustment costs and "less misunderstanding or dissatisfaction on the part of the insured public" as further justification that the consideration stated in the contract is not "sham and pretense."

The fact that the amount to be paid to the HOLC is expressed in terms of percentage of the premiums should not lead to confusion, the brief asserts. The percentage scheme was adopted merely as a statement of a formula for determining the amount to be paid over against the services. It might have been possible to have expressed a definite sum, the brief declared. "Merely because the expression is in terms of a percentage of premiums, it does not follow that thereby the payment must be characterized as a commission."

The contract does not provide for issuance of valued policies in states which do not permit valued policies, but it will be deemed on a valued basis in states which require the issuance of valued policies.

"We have received no intimation from any source as to possible impropriety in the payment of any commission to agents in connection with the operation of this contract," the brief states. "While the agent does not directly produce the application for this insurance, nevertheless, he has an interest in the expiration record or acquires a standing because of designation by the owner of the property being covered."

It now appears that the HOLC will support the SCA in seeking to overcome the objections of those commissioners that have challenged the setup.

Accident Prevention Lectures

BOSTON—Elliot P. Knight, Employers Liability, and Dr. H. C. Marble, surgical director American Mutual, both of Boston, will contribute two of the lectures in the Massachusetts Safety Council industrial accident prevention course at the Massachusetts Institute of Technology. Mr. Knight will discuss "Insurance and Legal Aspects of Accident Prevention" on Nov. 19, and Dr. Marble will lecture on "The Major Importance of Minor Injuries" Dec. 31.

Will Consult Agents, Brokers

The Chicago Acquisition Cost Conference governing committee, having now tentatively decided on its rules, will arrange in the near future to have a conference with the Chicago Insurance Agents Association and the Insurance Brokers Association, presenting the setup to them, interpreting the effect of the rules, scope, etc., and getting their ideas as to any changes that might seem desirable.

Surety Association Meets Oct. 23

NEW YORK—The annual meeting of the Surety Association of America will be held here Oct. 23. Five amendments to the constitution will be submitted.

M. A. Craig, vice-president Globe Indemnity, will be chairman.

J. F. Fitzgerald has joined the staff of

the surety association. He is a graduate of Holy Cross College and of Harvard law school and a member of the New York bar. He has been with the Globe Indemnity as an attorney in its claim department since 1935.

N.A.U.A. Studies Idea of Pro Rata Rule for Conscripts

NEW YORK—While no action has yet been taken by the National Automobile Underwriters Association regarding the suggested pro rata cancellation of policies of assured who are called to military service and sell or lay up their cars the matter will be considered by the directors at an early meeting. Most of the casualty companies are permitting pro rata cancellation of auto policies under these circumstances.

N. J. Association Get-Together

NEWARK—The Casualty Underwriters Association of New Jersey will have a get-together dinner Oct. 29.

Frank Singiser, radio news commentator, will discuss current events, and Frederick Selsor, claim attorney of the Fidelity & Casualty, will talk on "Is There an Honest Man?"

E. H. Mathews to Give Talk

"New Comprehensive Forms of Casualty Insurance" will be discussed by E. H. Mathews, assistant general manager in New York for Aetna Casualty, before members of the Richmond County (N. Y.) Association of Local Agents Friday.

Henry A. Field of the Field, Eddy & Bulkley agency, Springfield, Mass., has been elected vice-president of the Springfield Institution for Savings, to fill the vacancy caused by the recent death of President George G. Bulkley of the Springfield Fire & Marine. President W. B. Cruttenden of the Springfield was elected a trustee of the bank, also succeeding Mr. Bulkley.

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Conditions for U. & O. Solicitation Excellent Today

CINCINNATI—Helpful suggestions in the solicitation of use and occupancy insurance were given by R. K. Hill, superintendent of the service department, Springfield Fire & Marine, Chicago, at a monthly meeting of the Cincinnati Fire Underwriters Association. The trend the past few years has been toward comprehensive coverage, buyers requesting it, and companies and agents giving it, Mr. Hill said.

In spite of the extension of policy liability, however, Mr. Hill said that most of the progress has been limited to loss and damage caused to physical assets. "We know," he said, "that loss continues beyond the physical damage—there is often a far greater loss than damage to the building, stock, or machinery." For instance, the lease may be many times more valuable than the building. There are many intangibles not seen generally. The privilege of occupancy has a distinct monetary value, he said.

Times Are Favorable

Conditions in the last 20 years have never been more favorable than they are for the solicitation of use and occupancy, he said. The agent must consider to whom, rather than what, he is selling in use and occupancy solicitation. There may be interest payments that must be maintained; taxes must be paid; there may be no provision for abatement in the lease in the event that the premises become untenable; there may be a sales organization built up over a period of years which must be maintained intact to prevent wholesale migration to competitors. The agent's job, he said, is to

write the prescription. He should not ask the prospect as to the form of use and occupancy desired.

Mr. Hill compared use and occupancy to personal accident insurance as a substitute for income and to business life insurance. Only 26 percent of businesses suffer no impairment of credit rating after a fire, he asserted.

No employer can be indifferent to the rights of employees. Payrolls, he said, are not fireproof. Not only is it of interest to the wage earner and to the community for stabilization of employment through use and occupancy, but it also should be viewed from the unemployment compensation angle. The payroll tax, he said, is to be determined by the individual employment record of the employer.

A use and occupancy form does for the insured what his own business does for him, Mr. Hill asserted. It pays him the same kind of dollars in the same amount. The only real substitute for use and occupancy is an idle duplicate plant. Mr. Hill said that not over a dozen important use and occupancy cases had been litigated. The man in daily business knows more about the trends in his business than the adjuster, he stated. Use and occupancy coverage has only three exclusions: it does not make provision for replacing the structure, it does not indemnify for loss in event of cancellation of orders, and there is no liability for time lost because of strikes.

Mr. Hill's talk was along the lines of one he gave at the Michigan Association of Insurance Agents convention.

Spirited A. & H. Forum Is Held in Cincinnati

(CONTINUED FROM PAGE 21)

property floater, Mr. Dignan said that accident and health is nothing but a personal property floater on the most valuable asset the prospect has.

Using life insurance as an approach, Mr. Dignan tells a prospect that he has insurance or that he lives too long or dies too soon. But, "you might die economically," Mr. Dignan said that the agent should tie in what he is trying to sell with something the prospect already owns.

Four factors enter into the selection of risks, said L. K. Cooksey, Hooper Holmes Bureau; the agent's recommendation, inspection report, medical examination, and impairment indexes. Selection means that the underwriter must have prospect identification, knowledge of his business and financial condition, knowledge of his health, and knowledge of his morals, character and habits.

When the agent gets a borderline case, Mr. Cooksey advised that it be submitted as such to the home office. It helps the underwriter materially in passing on it and the home office is greatly influenced by the decision of a good agent. If a good agent recommends that the risk be accepted, the home office is likely to follow his advice. The underwriting department, Mr. Cooksey said, should keep a record of each agent's business so that it may determine whether his recommendations are sound.

Speaking on claim settlements, Mr. Mack said that accident and health companies instruct their adjusters to settle claims so as to keep the good will of policyholders. He said that the companies withheld payments only when fraud was involved or if there had been negligence on the part of the soliciting agent. Mr. Mack said that the fore-

most thing in settling a claim is the application, which, he said, is the most important part of the claim. He cited several recent claim experiences. Assured who are receiving benefits tell him frequently that they wish the agent who had sold them the coverage had kept in contact with them as their income increased. Usually, he finds, the agent, after he sells the prospect once, never calls on him again, although his prospect's income may have increased considerably since his first call.

At the "Information Please" discussion following, the question was asked as to how conscription was going to affect policies. The Bureau companies have unofficially agreed to honor policies through Jan. 1, 1942, in the event of draft, providing the assured lives in the continental United States. If the assured enlists, the companies reserve the right to make pro-rata cancellation. One company has informed its field force that policies will continue to be in full force so long as war isn't declared. Another company recommended that medical and hospital reimbursement policies be allowed to expire if the assured was drafted.

Mr. Cooksey was asked how his organization verified the income of the prospect. Mr. Cooksey replied that it did not depend on one source, but if the figure was not available from the employer, it checked with an associate, a competitor, or some source it judged reliable to get an accurate indication.

The question was asked as to what groups are currently the best prospects for accident and health insurance. Mr. Gurney replied that doctors are getting more money than they were before. Railroad men have also been found to be good prospects as a group. Mr. Dignan said that the professional, executive and key men groups were good sources of prospects.

By far and large, the hospitalization organizations have done good advertising for accident and health. An assured

needs reimbursement for other expenses as well as hospital expenses, said C. R. Goldsmith, W. E. Lord Company, answering a question as to whether hospitalization organization activity had adversely affected the sale of accident and health insurance. Mr. Goldsmith said that hospital policies issued by these organizations provided for 21 day hospital coverage the first year and 30 days thereafter. He cited a case where a man had been in the hospital a few days and was home four weeks, leaving a major gap open if he only carried hospitalization.

J. W. Scherr, Jr., Inter-Ocean Casualty, was chairman of the question and answer period. Mr. Dignan presided as president of the association.

Find HOLC Losses Exceed \$21,000,000

Losses to insured properties of Home Owners Loan Corporation from 1935 to the end of June, 1940, exceeded \$21,000,000 of which \$17,000,000 represented fire losses and \$4,000,000 wind or hail, according to the Federal Home Loan Bank Board. Not included in that total are the losses of \$100 or less which have been paid direct to home owners by the insurance companies since Aug. 15, 1938. There were 175,000 cases of loss. In the beginning HOLC had about 2,400,000 insurance policies.

The Home Loan Bank Board cites some of its experiences. In April of 1935 hail storms damaged 5,000 roofs in San Antonio. While HOLC was making a survey of the damage and arranging with the insurance companies to permit replacement of the roofs without the necessity of any advances, a similar hail storm occurred in Oklahoma and 5,000 more roofs were lost. HOLC was able to put a new roof on each home without advancing a dollar of corporation funds. In the New England hurricane, there was damage to the HOLC's own property involving \$250,000 loss. The Tupelo-Gainesville tornado destroyed property in which the HOLC was interested to the value of \$165,000 and the Miami-Tampa hurricane \$275,000. The large losses suffered by HOLC borrowers through the Ohio-Mississippi floods and the 46 homes damaged by the Helena earthquake were not protected by insurance.

HOLC states that a false alarm of fire in an eastern city brought the fire department which in its eagerness to discover the non-existent blaze caused damage to the home to the extent of \$40. A man put five gallons of gasoline in the bath tub in a house in New Orleans, placed an attached electric iron in the gasoline and departed. The gas exploded, destroying the house. In Chicago, vandals removed an entire house. In Tennessee the vibrations from a pile driver caused \$600 damage. In the state of Washington, a house slid down a hill into Puget Sound.

Tells How New R. I. Powers May Be Utilized

H. L. Weller, director of business regulation of Rhode Island, has issued a bulletin in connection with the amendment to section 36 (a), chapter 150, which enlarges the underwriting powers of domestic fire insurers by enabling them to insure "against loss or damage caused by burglary, robbery, theft, pilage, looting, larceny or any attempt thereof."

Such companies that desire to take advantage of these powers, according to Mr. Weller, shall issue a separate form of policy covering all or any of the risks, not including risks insured against under the standard form of fire policy. Such newly authorized risks may not be covered by rider or other amendment to a policy of fire insurance.

The ruling, he states, does not affect forms of supplemental or extended contracts heretofore approved by the department.

Surety Liability Held Cumulative in Iowa

DES MOINES—The Iowa supreme court handed down a decision in the case of Jaeger Manufacturing Company against Massachusetts Bonding, holding that a statutory bond when continued constitutes a separate and independent undertaking and the surety may be held liable for the full amount accruing during the respective terms covered by the instrument.

Massachusetts Bonding is one of four sureties contesting claims resulting through a \$47,000 shortage alleged to have been made by I. A. Potwin, certified public accountant, now dead.

Other suits are pending with American Surety, Maryland Casualty and Fidelity & Casualty. However, the latter three have a different issue, claiming Potwin had been employed merely as a bookkeeper and their bonds covering him as a C. P. A. were not liable because of the nature of his employment.

Sought to Limit Action

Massachusetts Bonding had sought to limit the action to \$5,000 which was the amount of the bond for one year. It had covered his bond for five years with the total shortage alleged to have occurred during the period at \$20,190.

"The statute covering bonds for certified public accountants requires a new \$5,000 bond for each year of the license," the supreme court held. "Consequently the bond and each continued certificate constitutes a separate and independent undertaking. Upon each the surety may be held liable for the full amount of the penalty on account of default or breach accruing during the respective term covered by said instrument."

Buffalo Club School

BUFFALO—The Casualty & Surety Club of Buffalo will open its third school for prospective agents and brokers Oct. 23. It will continue through Nov. 29, consisting of 12 lectures. At the October meeting, the nominating committee requested a delay until November to bring in a new slate of officers.

Reciprocals Have Marine Power

COLUMBUS, O.—Attorney-general Herbert of Ohio has delivered an opinion to Superintendent Lloyd that domestic reciprocal insurance organizations organized under section 9536-1 to 9536-13 may write ocean marine insurance.

The striking thing about liability for safe deposit is that it is almost universally held that the question whether the bank was negligent or not must go to a jury. Insurance on such liability is worth while for this reason alone.

Conventions

Oct. 17-18—Ontario Agents, Royal York Hotel, Toronto, Can.
Oct. 17-18—Wisconsin Agents, Hotel Retlaw, Fond du Lac.

Oct. 18-19—New Mexico Agents, La Fonda Hotel, Santa Fe.

Oct. 23—Rhode Island agents, Turks Head Club, Providence.

Oct. 24—Maryland Agents, Belvedere hotel, Baltimore.

Oct. 24-25—Illinois Agents, Faust Hotel, Rockford.

Oct. 28-30—California Agents, Biltmore Hotel, Los Angeles.

Oct. 29-30—Indiana agents, Indianapolis Athletic Club.

Oct. 30—New Hampshire agents, Carpenter Hotel, Manchester.

Nov. 1-2—Arizona Agents, Westward Ho hotel, Phoenix.

Nov. 8-9—Oklahoma Agents, Hotel Tulsa, Tulsa.

Nov. 18-20—Southeastern Underwriters Association (semi-annual), Pinehurst, N. C.

Dec. 2-4—National Association of Insurance Commissioners, Pennsylvania Hotel, New York City.

Dec. 5-6—Insurance Conference American Management Association, Palmer House, Chicago.

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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Intensive Michigan Educational Plans Are Now Under Way

LANSING, MICH.—Plans for the continuation of the Michigan Association of Insurance Agents' successful educational program were reviewed at a conference held by Waldo O. Hildebrand, secretary-manager, with the presidents and educational committee chairmen of the Casualty & Surety Executives Association of Michigan and the Surety Association of Michigan. Preliminary arrangements were made for the launching of a series of zone meetings throughout the state, beginning in November at which representatives of the casualty and surety organizations will be instructors. The conference was also attended by L. I. McKay, state agent Northern Assurance, and chairman, Business Development and educational committee of the Michigan Fire Underwriters Association. Representing the casualty association were H. B. Quinn, Detroit, manager Maryland Casualty, president, and W. O. Gamble, Detroit, Zurich, education committee chairman. Spokesmen for the surety body were: W. S. Cumming, Detroit, Maryland Casualty, president, and H. C. McGrew, Fidelity & Deposit, educational committee chairman.

Now 470 Taking Course

There are now 470 agents, solicitors and agency employees taking the association-sponsored correspondence course conducted as an extension service of the University of Michigan business administration school. This course will be used as the basis for the more advanced training at the regional meetings.

One or two subjects will be thoroughly discussed by experts at each regional session, the field men's organizations, in most cases, supplying the instructors. In several instances, local board-sponsored groups will meet weekly or semi-monthly for group study of the correspondence course. Such a program is being planned for Flint, Kalamazoo, Battle Creek, Ann Arbor, and probably, in a somewhat different form, as a part of the regular public school night classes in Lansing.

An educational forum is being planned for the mid-year meeting in Lansing when two days will be devoted to advanced instruction. The final educational symposium will be conducted in Ann Arbor during the spring and certificates will be presented to those who have satisfactorily completed the courses.

Mr. Hildebrand announced it has been necessary to increase the cost of the correspondence course, more than doubling the original fees. The cost is still, however, extremely moderate, he said, in view of the authoritative nature of the instruction.

Cleveland Board Sponsors Four Insurance Courses

CLEVELAND—The department of education of the Insurance Board of Cleveland announces four insurance courses: Fire insurance, instructor to be announced; casualty insurance, conducted by W. B. McPherson, New Amsterdam Casualty; suretyship, by Gerald DeMarinis, Fidelity & Casualty, and inland marine, by H. H. Howarth of Lenihan & Co. These courses were conducted by the Insurance Society and department of education last year.

The department of education has just reorganized for the season. P. F. Gold-

enbogen was named chairman, and E. V. Henckel, Jr., secretary.

The Cleveland Board speakers' bureau was decidedly active in Fire Prevention Week. C. O. Ransom, former president of the board, spoke before the Rotary Club, W. A. Pearce, Jr., before the Borrowed Time Club and Town Club, W. B. Pinney before the Lions Club, W. C. Starkweather before the Kiwanis Club, and J. T. P. Hodons before the South Lakewood Women's Club, all in Lakewood; President John W. Barrett of the board and Mr. Pearce before the Medina County Insurance Board at Chippewa Lake.

Insurance Luncheon for Hershey to Be Oct. 29

The insurance luncheon in honor of Harry B. Hershey, Democratic candidate for governor of Illinois, will be held Oct. 29 at the Hotel Sherman, Chicago. Mr. Hershey will speak and give his views on insurance problems in the state. Dr. J. H. Pearce, associate general agent Connecticut Mutual Life, Peoria, and state chairman Illinois Insurance Committee, which is sponsoring the luncheon, will preside.

Following is the list of regional advisers that have been appointed throughout the state: F. J. Budelier, Rock Island; T. E. Dowling, East St. Louis; T. J. Duffner, Jacksonville; J. E. Ewers, Danville; G. C. Frankner, Champaign; W. C. Gore, Cairo; T. W. Howard, Chicago; W. A. Ivey, Decatur; J. L. McGinnis, Joliet; C. A. Marks, Galesburg; J. J. Starkey, Clinton; K. H. Sullivan, Quincy, and D. E. Thompson, Rockford.

Bosses Night Banquet Is Held by Detroit Women

DETROIT—While Michigan has some 75,000 insurance agents, all of the business in the state could be transacted efficiently by half that number, Commissioner Emery told 200 company men, agents and members of the Detroit Insurance Women's League at its annual Bosses Night banquet.

After stressing the insurance department's efforts to eliminate unfit agents, Commissioner Emery said he has been an agent for 34 years and knows something about the problems involved.

President Theresa L. Ochsenkehl, North America, had charge of the meeting and E. G. O'Brien, state agent Pearl, was toastmaster. W. O. Hildebrand, Lansing, executive secretary Michigan Association of Insurance Agents; D. T. Marantette, Detroit Insurance Agency, president Detroit Association of Insurance Agents; F. C. Esper, Rohde agency, vice-president, and Elmer Salzman, executive secretary of the Detroit board, spoke briefly.

Among the prominent company men present were Arthur Eliason, Wayne County manager North America group, and W. H. Wolf, branch manager American of Newark. Prominent agents included Phil G. Clifton, vice-president Marsh & McLennan; W. B. Cary, president Michigan Insurance Agency, and Walter Halla, Kelly-Halla-Peacock.

Opens Office at Belleville

The Livingstone Adjustment Service with head office at 619 East Capitol avenue, Springfield, Ill., has opened a new branch at Belleville in charge of R. L. Wood, formerly manager of the East St. Louis branch of the Associated Adjustment Bureau, which retired from the field in February. The new office will handle claim adjustments in that territory as well as southern Illi-

New Officers Are Named by Trumbull County, O., Board



J. E. GREENWOOD

John E. Greenwood, president General Insurance Agency, Warren, O., has been elected president of the Trumbull County Insurance Board. W. G. Abell, Warren, is vice-president; J. H. Rosensteel, Niles, secretary, and Bryan Wolam, Cortland, treasurer. Trustees, in addition to the officers, are J. R. Davis of Newton Falls, Isaac Griffith, Girard, and H. C. Kistler, Niles, retiring president. Among the communities represented in the board are Warren, Niles, Girard, Newton Falls, Cortland, Hubbard and Mineral Ridge. The board handles all the insurance on county buildings.

President Greenwood is a former president of the Ohio Association of Insurance Agents. For some years he has been a director of the Excelsior of Syracuse, and last February was elected first vice-president.

The Livingstone Adjustment Service is operated by C. A. Livingstone, former president of the Associated Adjustment Bureau, who has been engaged in claim work for the last 20 years. The Springfield office covers central Illinois within a radius of 100 miles each way from Springfield. It adjusts losses for companies only.

Takes New England for Iowa

The Underwriters General Agency of Omaha, which has served as general agent for New England Fire for Nebraska since Sept. 1, 1939, has also been appointed to represent New England Fire for Iowa. Earl V. Neuberger is president and Roland E. Murphy vice-president and secretary of the general agency.

Ohio Farmers Tournament

The 11th annual golf tournament of the men of the home office of the Ohio Farmers was held at the Westfield Country Club, LeRoy, O. Nine foursomes participated. Low net, 63, was made by Paul Heck; low gross, 82, Tom Rowe; runners-up, 83, C. L. Donze, E. B. Frazier; best ball, 76, R. B. Hawley, C. L. Donze; fewest putts, 28, R. B. Hawley; long drive, Bruce Walker; accuracy, P. E. Wertenberger; most fives, C. E. Curtis; most sixes, James Martin; most sevens, Clarence Foster, J. A. Weber; high score for one hole, C. D. McVay.

Following the tournament a chicken dinner was served. Remarks were made on behalf of the company by Chairman

F. H. Hawley, President C. D. McVay, Secretary J. C. Hiestand and Director John A. Weber. Prizes were awarded by Secretary Hiestand. The trophy was won by Paul Heck of the automobile department.

South Bend Bank in Insurance

SOUTH BEND, IND.—Expansion of the insurance department of the First Bank & Trust Co. into the general insurance field is announced. It has been understood that heretofore the insurance department has confined its activities to placing the bank's own business.

C. G. Morehouse, formerly associated with the Continental Illinois Bank & Trust Co., and more recently an independent broker in Chicago, has been placed in charge of the local bank's expanded activities.

E. M. Morris, chairman of the board of the First Bank & Trust Co., also is president of the Associates Investment Co., automobile finance company, and the Emmco companies, automobile insurers.

Cuyahoga County Board Elects

Following are the newly elected officers that will be installed at the October meeting of the Cuyahoga County Board of Underwriters, Cleveland: C. B. Aldridge, president; Gardner Graydon, vice-president; C. O. Witzel, treasurer; Miss Harriet E. Hogan, secretary, and E. A. Cottier, J. E. Stone, N. S. Tucker, trustees.

Safety Rules Not Law

INDIANAPOLIS—The Indiana supreme court has ruled that the state fire marshal's safety rules are not law in a suit against the town of Kirklin, Ind. in which Harold Everman was awarded a \$4,500 judgment as a result of a gasoline explosion. The gasoline motor was not installed according to state fire marshal's rules.

Refrigerator Chief Arrested

LANSING, MICH.—James H. McCarty, president of the McCarty Refrigeration Company here, is under \$10,000 bail following his arrest on arson charges growing out of a fire which damaged his place of business in December, 1938. He collected \$1,760 of a \$5,000 insurance claim from the Globe & Rutgers and Minneapolis Fire & Marine. The arrest following lengthy investigation by the state police and representatives of the National Board.

Hold Two Minnesota Regionals

Two Minnesota regional associations met Oct. 17. At Little Falls, Wheaton Williams, vice-president Fred L. Gray Co., Minneapolis, and Carl H. Johnson, special agent Crum & Forster, were the speakers, while at Benson the speakers were Howard Williams, Mankato local agent, and Dean Perry, state agent Fire Association.

Hjermstad Heads Minn. Mutuals

MINNEAPOLIS—At its annual meeting here, the Minnesota Association of Mutual Insurance Companies elected the following officers: President, H. L. Hjermstad, Citizens Fund, Red Wing; vice-president, C. S. Laidlaw, Minnesota Farmers Mutual, Minneapolis; secretary-treasurer, A. J. Dahlstrom, local agent, Minneapolis.

Form Credit-Insurance Council

ST. PAUL—As the result of a year of educational work carried on by credit and insurance men in St. Paul, the St. Paul Association of Credit Men has named an insurance advisory council, headed by George W. Bewell as chairman. Members of the council are C. A. Dossall, secretary St. Paul Fire & Ma-

rine; L. A. Green, Joyce Insurance; Cecil Read, Weed, Raker & Co.; J. C. Youmans, C. R. Jonas and D. J. Greenwald.

Minnesota Buyers Hear Laird

William H. Laird, manager of the engineering department of Marsh & McLennan, Minneapolis, addressed the first fall meeting of the Insurance Buyers association of Minnesota on "Fire Insurance Rates and Fire Prevention."

Martin Succeeds Raymond Rhoads

Superintendent Lloyd of Ohio has appointed Virgil G. Martin of Xenia, now chief of the license division, as assistant superintendent of insurance to succeed the late Raymond Rhoads. Mr. Martin was recommended for the place by the Ohio Association of Life Underwriters. He will continue to direct the licensing division.

Emery Is Kalamazoo Speaker

KALAMAZOO, MICH. — Commissioner Emery spoke at a joint dinner meeting of the Kalamazoo Association of Insurance Agents and the Kalamazoo Life Underwriters Association. A general invitation was extended to insurance men to attend whether or not they are members of either sponsoring organization.

Stage Fire Hazard Test

NEWTON, KAN. — The Newton Board promoted an unusual Fire Prevention Week contest. An old vacant dwelling was filled with various common home hazards and visited by the various school classes. Contests were conducted between the different rooms and different schools in locating and describing the various hazards in competition for prizes.

NEWS BRIEFS

The Sioux City, Ia., Insurance Women held a picnic supper in honor of Miss Clare Fennell, office manager for 15 years in the J. W. Wooldridge Agency.

Miss Fennell's plans for the future will be announced later.

William Moore, manager Central Kansas Adjustment, Wichita, gave a fire prevention talk to the Wellington Rotary Club. H. G. Hix, Kansas Inspection Bureau, addressed the Augusta chamber of commerce.

J. Burr Taylor, Western Actuarial Bureau, Chicago, had a busy day in Wichita addressing four high school groups and a noon luncheon of business men of which William Piper, Jr., Du-laney, Johnston & Priest Agency, was chairman.

This week's meeting of the Insurance Women of Wichita was devoted to a question and answer quiz. On Nov. 5 V. G. Henry, president Wichita Insurers, will report on the Buffalo national convention.

Lieutenant Commander Standish Hall, naval liaison officer for Kansas and Wichita agent, has been serving on the Kansas selective service committee.

The right and wrong ways of selling insurance were discussed by R. M. Neer, Western Mutual Fire of Urbana, O., and H. K. Brookhart at the October meeting of the Mutual Insurance Club of Columbus. A report on the recent insurance institute at Pittsburgh was submitted.

Rate books were published by the Illinois Inspection Bureau during September for Apple River, Argenta (10 to 9), Fairfield, Freeburg, Harrisburg, Nora, Savanna, Sidney (9 to 8), Somo-nauk, Tilden, Waterman.

Leonard Lund, deputy Minnesota fire marshal, talked on farm fire prevention at the Minnesota school of agriculture. His address was broadcast.

Gideon Seymour, chief editorial writer Minneapolis "Star-Journal," spoke to the Insurance Club of Minneapolis on the European situation.

George W. Blomgren, state agent Security of New Haven and president Minnesota Underwriters Association, addressed the Minneapolis Insurance Women's Association.

The Des Moines Insurance Women's Association voted to affiliate with the women's national association. Wesley Barnes, U. S. F. & G., was guest speaker.

IN THE SOUTHERN STATES

Georgia Agents Will Hold Mid-year in Macon Dec. 9-10

MACON, GA.—At a meeting here of the executive committee of the Georgia Association of Insurance Agents, it was decided to hold a mid-year meeting in Macon, Dec. 9-10. The executive committee will meet Dec. 8.

The executive committee is working on a set of guiding principles for agents and companies and the committee in charge reported considerable progress. The executive committee discussed the terms of the agreement and instructed the committee to continue with its work.

Secretary Irwin Wootton reported 315 members. President P. M. Lancaster made a plea for all members to work for increase in membership. The executive committee pledged its support to the drive.

Employment of a full-time secretary was discussed. It was decided it would not be advisable at this time, but the matter will be kept open. D. I. MacIntyre of Atlanta, a member of the legislative committee, reported on prospects for the next legislature and led in discussion of the agency qualification law, with the thought that there may be some opportunity to procure revision to make it more adaptable.

The committee did not select the place for the 1941 annual meeting. It will probably be decided at the December meeting. Valdosta seems to be favored most for the 1941 convention. Henry Clark of Waycross, vice-president and chairman of the executive com-

mittee, had charge of the sessions. Those present were guests at the home of B. S. Walker, a member of the executive committee. A dinner was given later by the Macon local board. John W. Stamps, Jr., McRae, new member of the executive committee, was appointed a member of the legislative committee.

Louisiana Bureau Will Make Defense Inspections

NEW ORLEANS—Close inspection of army cantonments now being erected in Louisiana and of manufacturing plants and warehouses involved in supply of national defense needs will be made by specialists of the Louisiana Rating & Fire Prevention Bureau, W. S. Bizzell, secretary-treasurer and manager, reported at the annual meeting.

H. M. Holland, Hartford Fire, was reelected president; and A. J. Bolles, state agent Aetna Fire, New Orleans, vice-president. Mr. Bizzell was continued in his position. In his annual address, Mr. Holland said the 1940 session of the Louisiana legislature enacted no measure inimical to insurance. However, the act which created an advisory board composed of three members each (the total membership) of the Louisiana Insurance Commission and the Louisiana Casualty & Surety Rating Commission, has caused some uncertainty.

"The act becomes effective when a proclamation is issued by the governor," he said. "All of the members of the Louisiana Insurance Commission re-

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signed prior to the effective date of the act and have not been replaced by other appointees. No proclamation has yet been issued by the governor.

"The provisions of the reorganization act are so flexible that its practical operation cannot be determined in advance, and its effect on the insurance interest as a whole must remain a matter for the future."

New directors are: T. K. Marlowe, National Union; E. S. Waggaman, Royal-Liverpool; T. W. McDaniel, North America; E. W. Charlton, Jr., National of Hartford, and E. R. Pope, Home of New York, all of New Orleans. Holdovers are: Gibson Stevenson, Firemen's; Douglas Watson, State of Penn.; J. L. DeTreville, St. Paul F. & M.; Felix Perrilliat, Fireman's Fund; H. A. Steckler, general agent; Harry Thomas, North British & Mercantile; Lake Dupree, Crum & Forster. C. P. Fournet, state fire marshal, is also a member.

Cotter on Louisiana Commission

NEW ORLEANS—J. Blaine Cotter, local agent of Lafayette, La., has been appointed a member of the Louisiana Insurance Commission by Governor Jones. Two vacancies still exist on the commission and appointments are expected at an early date. The commission has been without commissioners since July 31 when all three commissioners, who opposed the candidacy of Governor Jones, resigned by request.

Ellis Heads Central Bureau

NEW ORLEANS—Prioleau Ellis has resigned as adjuster of the Fire Companies Adjustment Bureau in New Orleans to become president of the Central Adjustment Bureau, with offices at 916 Union street, New Orleans. William Lowrie is vice-president of the bureau and Emile Coci, secretary. It has been operated in the past by Robert Gottschalk. Mr. Ellis will handle fire claims and Mr. Lowrie casualty claims. The Central Bureau also will maintain offices at Lake Charles and Monroe.

Prevention Week in Augusta

AUGUSTA, GA.—The Augusta Board in cooperation with the junior chamber of commerce put on an effective Fire Prevention Week program. J. A. Berry was chairman for the Augusta Board. In addition to an essay contest in the schools the following agents made short radio talks: J. C. Chessier, J. A. Berry, C. H. Cohen, T. A. Alexander and Scott Nixon.

Question Farm Bureau Activity

NASHVILLE, TENN. — Commissioner McCormack has been asked for an interpretation of the federal agricultural act under which representatives of the Tennessee Farm Bureau Federation are actively working to organize county farm mutuals. S. G. Abernathy, representing the federation, declared to about 400 farmers at Union City that "low-cost insurance for farmers has arrived." Much concerned about the possible inroads of these mutuals on their farm business, west Tennessee agents are seeking to find out if there is any way to stop them.

Executive Committee to Meet

Clifford Wetzel, president of the Oklahoma Association of Insurers, has called a dinner meeting of the executive committee for 7 p. m. Nov. 7 in Tulsa, just prior to the mid-year meeting, which opens there the following day.

There will be a dinner dance and floor show the evening of Nov. 8. There will be no closed sessions this year. The local Tulsa committee consists of Paul Sisk, chairman, Roscoe Seever, Stewart Pearce, Harry Parrish, William Stahl and John Wakefield. The ladies committee consists of Mes. Robert Lock-

wood, Benjamin Voth, Paul Sisk, Stewart Pearce and Samuel Stewart.

Cawthon in West Tennessee

R. T. Cawthon, manager Tennessee Association of Insurance Agents, spent the week of Oct. 7-11 in west Tennessee. He addressed the Gibson County Insurance Association, with 23 agents present from Humboldt, Milan, Dyer, Kenton and Trenton. This week he is in east Tennessee, going first to Chattanooga.

NEWS BRIEFS

J. V. Leonard of the sprinkler department Kentucky Actuarial Bureau, Louisville, has resigned to become safety engineer of the new powder plant that is being erected jointly by the government and the duPont interests at Charlestown, Ind., ten miles up the

Ohio river from Louisville. The plant will cost about \$25,000,000.

At a dinner of the Atlanta Insurance Women's Club attended by practically the entire membership, J. W. Carswell of Savannah, immediate past president Georgia Association of Insurance Agents, spoke on "Office Management and Routine."

Tying in with Fire Prevention Week, the Insurance Women's Club of Oklahoma City had members of the city firemen's string band as guests. A group of members will attend a luncheon as guests of the Tulsa association in that city Saturday.

Leopold Mothmer, Augusta, Ga., agent, was married last week in Savannah.

H. Gould Barrett & Co., Augusta, Ga., has sold its insurance department to H. H. Brantley who will operate an agency under his own name.

The McCall & Watson agency, Quincy, Fla., has been incorporated by F. L. McCall, C. E. McCall and Y. L. Watson.

Mr. and Mrs. L. E. Oates have purchased the Minnier agency, Paris, Ark.

PACIFIC COAST AND MOUNTAIN

Supervisory Group Meeting in Denver

DENVER—Convening for a three-day annual session here Wednesday morning, the supervisory committee of the Rocky Mountain Fire Underwriters Association and the managing committee of the Mountain States Inspection Bureau prepared to consider a variety of important matters.

The managing committee will discuss modernization of the farm schedule in this territory and will consider several recommendations from the forms and rules committee of the Mountain Field Club. The field club was also expected to bring up a request for supervision over inland marine business.

In addition to the annual reports of Secretary Frederic Williams of the Rocky Mountain Fire Underwriters Association and Manager Walter Kulp of the Mountain States Inspection Bureau, the supervisory and managing committees were expected to hear reports from Charles Fletcher, president of the field club, and R. G. Harris, chairman of the forms and rules committee of the field club.

Those representing the Western Underwriters Association are W. N. Achenbach, Aetna Fire, who is chairman of the supervisory committee; A. F. Powrie, Fire Association; W. P.

Robertson, North America, and Wilfred Kurth, Home of New York. Representing the Pacific Board are A. T. Bailey, North British & Mercantile; Ray Decker, Royal-L. & L. & G. group; J. C. Bunyan, Commercial Union, who is substituting for Vice-president C. C. Hannah, Fireman's Fund. Mr. Bailey is chairman of the managing committee. Manager C. F. Thomas of the Western Underwriters Association accompanied the W.U.A. delegation to Denver.

H. A. Clark of Chicago, western manager of the Firemen's, representing the Western Insurance Bureau, is also in Denver, joining the committees from the other two bodies in connection with the work of the Mountain States Inspection Bureau.

Companies Giving College Students Field Training

SAN FRANCISCO—Nineteen insurance company offices are now cooperating with the insurance classes of San Francisco Junior College in accepting students for part-time work as field training on the practical side of the educational activity, according to W. C. Marsh, instructor of insurance in the college.

Most of those placed up to the end of the last semester were with life insurance offices, but Mr. Marsh believes that in the future a majority will be



... not of men

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with the fire and casualty offices. The heavy trend toward the life offices, he pointed out, was principally because life company managers were the first to support the plan.

The companies now cooperating are: Aetna Life, Equitable Life of Iowa, Guardian Life, Massachusetts Mutual Life, Metropolitan Life, New York Life, Northwestern Mutual, Pacific Mutual, Phoenix Mutual, Sun Life, Travelers, West Coast Life, Aetna Casualty, Commercial Union, Fireman's Fund, Hartford, Pacific National, Pearl Assurance and Maryland Casualty.

Washington Agents to Get Checks

OLYMPIA, WASH.—The insurance division of the Washington state liquor control board will make its 11th distribution of commissions Dec. 10 to local agents throughout the state, according to Manager L. D. Mallette.

Policies covering public liability on warehouse and elevators, safe burglary and robbery, messenger robbery and mercantile open stock burglary, have been awarded United Pacific. The board's blanket employees' bond was also awarded to the United Pacific.

Fire policies covering stock in agencies and stores was awarded to the General of Seattle and the California Fire. The line will be serviced by J. M. Kellum, California-Commercial Union group. There are 51 stores and 129 agencies covered under the \$210,000 provisional limit form.

Gray and Whitford on Coast

President L. C. Gray and Vice-president W. S. Whitford of Millers National and Illinois Fire are on a two weeks trip to the Pacific Coast. Their itinerary calls for stops at the offices of Philippi & Dressel, Minneapolis; Seattle, Vancouver, San Francisco, for a few days' visit at the coast department headquarters with Manager H. M. Dinsmore, and a return stop at Denver to visit their general agency, Reed & Co.

Entering Four Coast States

SEATTLE, WASH.—The Employers Mutual Fire and Employers Mutual Liability of Wisconsin are entering Washington, Oregon, Idaho and Utah under management of B. C. McKee, who at one time operated the Washington Agency at Seattle with his father, the late D. C. McKee. He was recently associated with the insurance division of the National Retail-Owned Grocers in Chicago.

H. G. Dodge San Francisco Head

Howard G. Dodge has become head of the Underwriters Laboratories San Francisco office at 500 Sansome street. He replaces Kenneth W. Keene, resigned.

Mr. Dodge graduated from California Institute of Technology in 1929. He joined Underwriters Laboratories in 1929 at Los Angeles as an inspector in the label service department, and has been located there until this time.

Shallcross on Pacific Coast

Cecil F. Shallcross, United States manager of the North British, accompanied by Mrs. Shallcross, arrived in San Francisco Oct. 14 for a brief business conference, after which they plan to spend several days vacationing in the Yosemite Valley.

Dubuque Executives on Coast

B. J. Oswald, secretary Dubuque Fire & Marine, National Reserve and Reserve Underwriters, and L. E. Springelmeyer, managing underwriter for the western department, have been visiting

San Francisco, Los Angeles, Denver, Salt Lake City and Boise. While in San Francisco they held a business conference with F. A. Dyck, manager National Reserve and Reserve Underwriters, and Clarence de Veuve, veteran manager of the Dubuque.

Lum Addresses Accountants

SAN FRANCISCO—C. H. Lum, assistant general manager of the National Board, addressed the Insurance Accountants Association of San Francisco on the board's arson investigation activities, highlighted by a number of cases which illustrated the extent and success of the arson bureau's work.

Mutual Enters Two More States

The Central Manufacturers Mutual of Van Wert, O., is entering Idaho and Montana, which will be supervised from the Pacific Coast department offices in San Francisco. V. S. Tracey, special agent in Portland, Ore., will take over the new territory and will be accompanied on a trip through the two states by H. A. Kern, assistant secretary from the home office.

NEWS BRIEFS

Participants in a Fire Prevention Week radio interview and open forum conducted over Radio Station KYA in San Francisco were A. M. Brown, Jr., of Edward Brown & Sons, H. W. Semelmeyer, director of public relations of the Pacific Board, and Guy C. MacDonald, secretary San Francisco Safety Council. The arrangements were made by Andrew McLaughlin, Hartford Fire.

The Christmas luncheon party of the Insurance Brokers Exchange of San Francisco will be held Dec. 18, according to announcement by J. H. Voorsanger, acting secretary of the Exchange. The Christmas party of Insurance Post 404 of the American Legion will be held the following day.

Lane Baker, formerly with Frank Allyn, Inc., has joined the Brown General Agency, Seattle, as adjuster.

Albert A. Carson, Hartford Accident special agent, Seattle, has been appointed to the King county draft committee.

C. J. Jensen has joined the claims staff of Swett & Crawford in Seattle. He succeeds J. D. MacDonnell who

has been appointed assistant Pacific Coast manager of the Employers Reinsurance.

Principal speaker at the Oct. 9 meeting of the Fire Underwriters Forum was G. C. Scarlett, general manager Underwriters Salvage Company, who told of its formation, methods and general activities.

EAST

Boston Library Association Reelects W. B. Medlicott

BOSTON—W. B. Medlicott was reelected president and chairman of the board of trustees of the Insurance Library Association of Boston at the annual meeting. D. N. Handy was renamed secretary-treasurer.

An amendment to the by-laws increasing the board of trustees from 12 to 15 members was adopted. The following trustees were elected: Gorham Dana, retired manager Underwriters Bureau of New England; G. T. Forbush, Natick, retired U. S. manager Royal Exchange; R. G. Hinkley, manager northeastern department American of Newark; W. C. Small, Field & Cowles; J. J. Flynn, vice president Massachusetts Bonding; H. G. Fairfield, Fairfield & Ellis, and H. A. Kneeland, John C. Paige & Co.

Launches New Round Table Series and Three Courses

ROCHESTER, N. Y.—The Underwriters Board of Rochester has launched a new round table series to be held every Friday at the luncheon meeting. At 12:45 for 15 minutes there will be "The Coffee Cup Bulletin," which during coffee and dessert the chair will feature a rapid, comprehensive digest of the week's headlines in the insurance world. This will be followed at 1 p. m. by "The Hot Flash of the Week," which in one form or another will be the best sales idea, scheme or stunt found during the week. At 1:10 and for the next 20 minutes the feature will be "Is it — or Ain't it?" This spot is for all who have a "bone" to pick and will have two three-minute briefs, one on

each side of a controversial question, followed by open discussion led by the chair for the next fourteen minutes. A sample would be: "Is compulsory automobile insurance coming—or ain't it?" The meeting will close promptly at 1:30.

The Underwriters Board is conducting an insurance course embracing three branches of the business, casualty, inland marine and suretyship. These will be divided into periods of three weeks each as follows: Part I, "The New Liability Manuals," covering the changes in the burglary manual, OL & T manual, manufacturers' and contractors' products liability elevator and other sections; Part II "Underwriting Inland Marine Coverages," with specific study of jewelry, fur and personal effects floaters, parcel post, registered mail, furrier's customers' insurance, transportation, motor cargo and many others; Part III "Fidelity and Surety Bonds," covering fidelity bond underwriting and production.

Agent Is Sentenced for Contempt in Expiration Suit

BOSTON—F. G. Woodward, manager Waltham agency of Woodward & Tyler, was sentenced to six months in jail for contempt of court in failing to produce expiration cards of the business in the Waltham branch of the agency. Mr. Woodward is a former president of



SAGA OF A STICK OF GUM

The great American gum-chewing habit may be said to have its roots in the lowland jungles of Mexico and Guatemala, where an ancient civilization is now marked only by archaic Mayan ruins. In that country abounds the Sapodilla tree, producer of the vast quantities of chicle needed to meet the demands of a nation that chews, each year, a veritable mountain of gum.

Production of the valued chicle depends upon the descendants of that by-gone civilization, sturdy chicleiros, who now use radios to signal supply planes to new-found locations. It also depends upon adequate insurance to provide indemnity against loss from the time the trees are tapped.

The AIU insurance organization, international in scope and with competent insurance men on the spot in important trade centres, serves American foreign commerce throughout the world. Brokers and agents can place these extensive facilities at the command of their clients.

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the Waltham Kiwanis Club and Waltham Chamber of Commerce.

The court action grew out of an equity suit in which it was alleged that Mr. Woodward, as manager, did not operate the agency for the best interest of the companies in the agency, which had taken over the business in 1936 because of some \$61,000 due them. The court issued an order on Sept. 16 prohibiting the removal of equipment and records from the agency's offices.

The companies complained in court that all expiration cards of the business on the books had been removed. Mr. Woodward denied he had touched the cards and maintained he did not know where they were. The court, however, found Mr. Woodward in contempt, indicating that if and when the cards are returned the court would consider rescinding the contempt order.

Report on Arson in Maine Soon

NEW YORK—Commissioner Lovejoy of Maine announced his intention to make public the result of his investigation of incendiary fires in his state, action which is calculated to discourage many owners from selling their property to the insurance companies via the friendly fire route. Shortly after his appointment, Mr. Lovejoy told the National Board of his determination to check the number of incendiary fires in Maine, that had attained considerable proportions, and as a cooperative move the National Board assigned two of its most experienced men to work with the Maine police force. Within a short time there was a marked diminution in the number and seriousness of suspicious fires.

All the other New England states likewise delegate to the state police the work of tracking arsonists, and it is efficiently done. The men specially assigned soon become expert in the duty.

Michigan among the central western states adopted the same plan some 12 months ago, with satisfactory results. Pennsylvania's record long has been outstanding, while other states are performing almost equally well. The state police have an advantage over municipal police in tracking incendiaries, in that the latter, engaged largely in routine duties, cannot spare the time to specialize that is available to the state employees.

Concentrated Educational Program in Maryland

BALTIMORE—Education will be the theme for the one-day annual convention of the Maryland Association of Insurance Agents here Oct. 24.

There will be five educational sections, each consisting of a 25 minute address and a 10 minute question period. The speakers on the morning program will be: F. S. Dauwalter, assistant general manager National Board; Harold K. Philips, director of publicity, Association of Casualty & Surety Executives; Roy A. Duffus, Rochester, N. Y., nationally known insurance commentator and producer.

The afternoon session will be addressed by: Charles J. Haugh, actuary, National Bureau of Casualty & Surety

Underwriters; David A. North, New Haven, Conn., member of the executive committee, National Association of Insurance Agents.

Following the afternoon educational sections will be the business meeting. At the banquet will be a very short speaking program, which will include words of greeting from the presidents of the local companies in Maryland and a message from Joseph D. Lazenby, retiring president. There will be a floor show and dancing.

Guy T. Warfield, Jr., vice president of Warfield-Dorsey Co., Baltimore, is chairman of the convention committee.

Ocean City Special Agents' Day

OCEAN CITY, N. J.—More than 100 special agents attended the annual "special agents day" of the Ocean City Insurance Agents Association at City Country Club, Somers Point, N. J. Several officers of the New Jersey Association of Underwriters were in attendance and made brief remarks. The golf tournament was followed by a dinner and floor show in the evening.

Joint Conference in Boston

BOSTON—Members of the executive council of the New England Fire Insurance Rating Association and a special committee of five of the Boston Board held a joint conference to discuss ways and means of closer cooperation between the two organizations and public relations in general.

The board at its meeting earlier in the week had voted to take no action toward a return to the board of its rating powers.

Pittsburgh Club Elects Oct. 28

PITTSBURGH—The annual meeting of the Insurance Club of Pittsburgh will be held Oct. 28. The program includes a dinner and entertainment. Motion pictures of the golf tournaments held the past summer will be shown.

The committee in charge consists of E. W. Murphy, A. L. Patterson Agency, chairman; C. H. Bokman, New Amsterdam; E. A. Logue, special agent State of Pennsylvania, and R. F. Miller, National Union Fire.

The Insurance Women of New Jersey are holding a dinner meeting in Newark. The topic is "All-Risk Residence Policy." President Ada V. Doyle will preside.

Outlines Fire Waste Program

ROANOKE, VA.—Arthur von Thaden, assistant manager insurance department U. S. Chamber of Commerce, spoke before the "better service conference" of the Norfolk & Western Railroad meeting on "The Chamber of Commerce of the United States and Fire Prevention." He outlined the program of the national chamber and its affiliate, the National Fire Waste Council, in assisting business men as groups in their efforts to reduce fire waste.

MARINE

Inland Marine Cover on Large Oriental Rug

The Buckeye Union Fire of Columbus, O., carried the insurance on the large oriental rug in the Deshler-Wallick Hotel in that city. The rug is valued at \$35,000 and had to be removed from the lobby for cleaning. Before the hotel would send the rug out it was necessary that the cleaning concern provide all-risk coverage to protect the hotel from the time the rug left the lobby until it was returned. The rug measures 34.5 x 44.9 ft. and weighs 1,700 pounds. It is stated that 100 persons worked two years continuously to weave this rug. Only one cleaning concern in Columbus was able to handle it. The unusual inland marine line was written by Miss M. E. Ritchie of the Frank Tallmadge Company in Columbus. She arranged for the Buckeye Union Fire to handle it.

Farewell for Frank R. Martin

A farewell dinner was given at Columbus by his company associates in the Ohio territory for Frank R. Martin, inland marine representative of the Royal-Liverpool groups, who has been assigned to the Kansas field. He was presented a Gladstone bag. Among the executives present were B. T. Duffey, regional manager, Cleveland; J. P. Mayer, manager inland marine department, New York; M. W. Slawson, production manager Eagle Indemnity.

Fear Increase in Cargo Losses

Marine companies anticipate that they may suffer an increase in motor vehicle cargo losses incidental to the activity of the defense program. Already there have been some losses attributable to this activity. With the emphasis on speed, some observers say that there is a tendency to overload trucks and to put into use equipment that is old and of inferior quality. Of course, there will be an increase in premiums from the line, but the losses may prove troublesome.

G. H. Healy to New York

Automobile has transferred George H. Healy from Pittsburgh to New York where he is associated with Manager Charles C. O'Regan in the inland marine department.

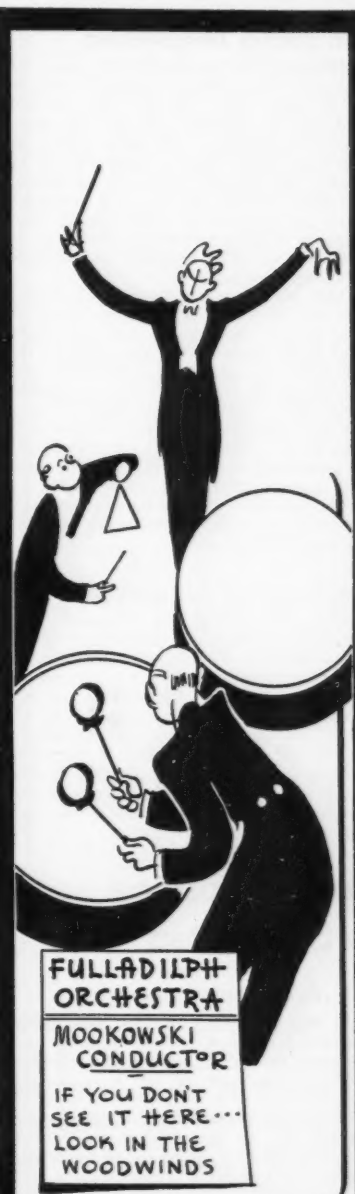
Syndicate Reelects Managers

The American Syndicate for the Insurance of Foreign Hulls, at its annual meeting, reelected its managers whose terms were expiring. They are, for one year, Automobile; two years, Phoenix of Hartford; three years, Federal, Hartford Fire and Universal. The election of officers of the syndicate will take place at the November meeting of the managers.

CANADIAN

Prairie Provinces Rate Move Hits Personal Floater Only

V. D. Hurst, Winnipeg, manager Western Canada Insurance Underwriters Association, calls attention to an article in a recent number of THE NATIONAL UNDERWRITER, describing the efforts of companies to establish rate regulations in the prairie provinces. Mr. Hurst points out that this article might have given



NOW BOYS, JUST ONE MORE REHEARSAL OF "HAPPY BIRTHDAY" NEXT YEAR IS CAMDEN FIRE'S 100TH ANNIVERSARY AND I WANT YOU SHOULD BE PERFECT.

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the impression that the situation sought to be corrected extends to all classes written by fire insurance companies. Actually, only the personal property floater is involved. No serious difficulties have arisen with fire, automobile and other lines.

T. L. Heasman, formerly inspector of the Canadian Underwriters Association, has been appointed special agent in Toronto and district by the Aetna Fire.

MOTOR

Old Policies Disappearing

Most of the companies are now well along in their efforts to replace the old automobile fire, theft, comprehensive and collision policies with the new standardized contract. The new policy became available Sept. 1 and its use becomes mandatory Jan. 1. In sending out new supplies most of the companies have been using the new policy since Sept. 1, but the process of taking up outstanding policies already in the hands of agents is slower.

The companies anticipate that there will not be many losses paid under the new policy that would not have been paid under the old, but they do feel that a number of sources of controversy that existed in the old policy have now been removed. They do anticipate that there will be a certain number of losses to be paid on account of theft of automobiles by employees of the assured. Such losses are payable under the new policy but not under the old. Every so often a chauffeur or some other employee steals his employer's car.

San Francisco Adjusters Elect

SAN FRANCISCO—Warner Still, adjuster of the Commercial Union group in the Pacific department, has been elected president of the Automobile General Adjusters Association of San Francisco and will be installed at the annual banquet Oct. 18. Other officers are C. W. Rogers, Fire Association, vice-president, and F. L. Ingersoll, National Automobile Theft Bureau, secretary-treasurer. Mr. Ingersoll has held this office for several years.

Poll of Opinion Is Suggested

(CONTINUED FROM PAGE 5)

iness was able to mind its own affairs and mend its own fences, so long as it delivered to the public sound protection and adequate service at a reasonable cost.

"But now we find that this perhaps is not enough, he said. 'The whole question of public relations, from many angles, is definitely before us, agents and companies alike, and we must give some serious thought to it, and we must consider whether we are prepared for the spotlight of attention which may be directed on us, the producing force which is so vital to the successful consummation of insurance contracts.'

"The right thinking agent who senses the trend, who is alert to his problems, who is here today because he knows being here is going to help him in his business, is proud of the business of insurance. He is proud of his knowledge of the business and considers his desire for further enlightenment as a natural development in his own growth within his chosen profession. He is prepared to stand, unafraid and unashamed, in the spotlight of public opinion—and that spotlight is near at hand."

Method Used by Business

Mr. North commented that manufacturers and distributors of commodities employ the services of research analysts before venturing forth with a new product. Such research is being seriously

considered by agents and company officials. Several successful systems have been developed for sampling public opinion by a cross section which will give a picture of national thinking within a very small degree of error.

Mr. North rebuked the many thousands of agents who, he said, do little more than put the business on the books.



DAVID A. NORTH

He said they should be given some other name than agents so that they could be differentiated from the real insurance agents of the country who make up the state and National associations and whose clients know the insurance commissions are fully earned. He urged that the agents not complacently accept their 20 percent commission on the HOLC business written through the Stock Company Association and not figure that is 100 percent profit. The intent in making this provision for the local agents was that they should fully earn their remuneration on this business by service to the assured.

Against Promiscuous Appointments

He also criticized promiscuous appointment of agents by companies, which, he said, tends to destroy public confidence. State commissioners are powerless to stop such appointments where there has been technical compliance with the law, Mr. North said. If conference and reasonableness will not prevail in solving this problem, he commented, the local agent can bring unreasonable company management to terms by depriving it of premium income.

F. F. Bartlett of this city, president, presided and gave the report of the administration. R. L. Young of Portland, presented the secretary's report. Other addresses were given by Commissioner C. W. Lovejoy of Maine, and by F. J. Marshall, East Aurora, N. Y., chairman rural agents' committee in Eastern Underwriters Association territory, who spoke on "Farm Underwriting." At the banquet Mayor Dundas gave the welcome and an address was given by Harvey Eastman on "Glorifying the Commonplace." R. M. Pennell of Portland is national councillor and reported.

Buyers Weigh Conscription and War Risk Problems

(CONTINUED FROM PAGE 3)

men's compensation charges and occupational disease costs through preventative measures, ocean marine, insurable and depreciation values for use and occupancy loss adjustment, directors liability, war risk, hold harmless, comprehensive coverage, contractual liability, insurance problems of personnel created by conscription—group life, group pension, accident, sabotage, safety, deductible loss, property insurance.

Answers to the questionnaire indi-

cated overwhelmingly that members are less interested in discussing the technical points of existing coverages than in taking up the various implications growing out of situations which the insurance managers face or soon will face. Apparently they feel that other sources, such as agents, brokers, or information services can supply answers to technical questions and that the time at the sessions should be devoted to exploring situations, particularly those lying ahead for which no precedents exist but for which answers must be evolved.

For example, although compulsory automobile liability insurance bills will be brought up in more than a dozen states, including New York, at coming legislative sessions, those who voted in the questionnaire poll seemed to regard these laws as inevitable and hence not raising problems worthy of general discussion. The combined vote for automobile liability and boiler and machinery was less than the vote for a discussion of the personnel insurance problems arising in connection with the drafting of employees.

Similarly, in spite of the lack of interest in discussing one type of automobile policy form as compared with another, there is considerable interest in the problem of the personal use of company-owned automobiles by employees or others who might cause a claim against the company. Another indication of the type of discussion in which the insurance managers are interested is the procedure necessary to establish loss claims—not the technical details but general considerations.

W. A. Sullivan, insurance manager of the Loose-Wiles Biscuit Company of

Kansas City, Mo., who is chairman of the insurance section of the American Management Association, was in Chicago last week arranging for the meeting to be held at the Palmer House in Chicago, Dec. 5-6. Mr. Sullivan is anxious to get as many executives placing insurance for their houses as possible to attend. He is extending an invitation to all insurance men to be present. The annual meeting is held at Atlantic City. The insurance section comprises representatives of insurance buyers from all over the country. It is a highly informative department of the association. Insurance buyers and insurance men discuss in a friendly way vital questions relating to insurance.

Meserole Testimonial Campaign

Unknown to the management, the field men of the Meserole companies organized a testimonial production campaign in recognition of the silver anniversary of the Meserole management. Silver tribute stickers were placed in the hands of agents and already there has been a notable response. The field men are striving to make the fourth quarter of the year the largest such period in the history of the companies. Not only is this the twenty-fifth anniversary of the management of C. V. Meserole, now chairman, but it is the twenty-fifth anniversary of connection with the group of L. R. Bowden, vice-chairman; and Vice-presidents L. P. Tremaine, S. G. Amerman, and R. S. Oellers.

Automobile quotation blanks increase sales. Write Reprint Department, National Underwriter, for samples.

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The constant policy of "better accommodations at lower rates" has won a reputation for the Atlantic, where the traveler finds comfort and service equal to that of cosmopolitan hotels—at the same time enjoying the personal friendliness that a larger hotel cannot give. Main Dining Room; Garden Restaurant; Coffee Shop. Excellent food.

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When important events come to Philadelphia, you'll find them at the Bellevue. The Republican National Committee had its headquarters here, of course. So did the Democratic National Committee four years ago. It is where things happen, and outstanding people stay. It is the meeting place of people who do things in business, art and social life.

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For Commercial and Passenger Cars

*Standard Application Form
Printed on Reverse
Side of each Blank*

**AUTOMOBILE INSURANCE QUOTATION
COMMERCIAL CAR FORM**

FOR _____
TRUCK _____
TRAILER _____

FORM _____ DESCRIPTION OF COVERAGE _____

PUBLIC LIABILITY Insures your liability for bodily injury to or death of third parties arising out of the use of your automobile.

PROPERTY DAMAGE LIABILITY Insures your liability for damage to property of others arising out of the use of your automobile.

HIRER CAR COVERAGE Public and property liability insurance for automobiles hired by you.

MATERIAL DAMAGE Insures against damage to your automobile by fire, theft, collision, or upset.

COLLISION OR UPSET Insures against damage to your automobile by collision with another object, movable or stationary, or by upset.

TOWING COVERAGE Insures against damage to your automobile by towing and being towed.

**AUTOMOBILE INSURANCE QUOTATION
PASSENGER CAR FORM**

FOR _____
CAR _____

FORM _____ DESCRIPTION OF COVERAGE _____

PUBLIC LIABILITY Insures your liability for bodily injury to or death of third parties arising out of the use of your automobile.

PROPERTY DAMAGE LIABILITY Insures your liability for damage to property of others arising out of the use of your automobile.

HIRER CAR COVERAGE Public and property liability insurance for automobiles hired by you.

MATERIAL DAMAGE Insures against damage to your automobile by fire, theft, collision, or upset.

COLLISION OR UPSET Insures against damage to your automobile by collision with another object, movable or stationary, or by upset.

TOWING COVERAGE Insures against damage to your automobile by towing and being towed.

Medical Expense Coverage Pays for necessary medical, surgical, hospital, nursing and funeral expenses for passengers injured in your automobile.

Trailers The public liability and property damage policy extends to cover, without charge, the operation of your car with a trailer of the utility type, but not home or auto home trailer.

Comprehensive Coverage Insures against practically all types of loss or damage to your car (with the exception of damage by collision or by upset).

Collision or Upset Insures your own car against damage by collision with another object, movable or stationary, or by upset.

Towing and Insures against damage to your automobile by towing and being towed.

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Actual size 5 1/2" x 8 1/2"

You can actually increase the sale of automobile insurance by providing your agents with these simple survey forms. One is designed especially for making automobile insurance quotations on commercial cars and the other for passenger vehicles. These blanks minimize errors and save time by providing the policy writer with complete information in one

transaction. The producer is enabled to secure an application more readily through its use.

You will certainly want to order a supply of these forms to distribute to your producers and for office use. They will help build prestige for your agency. Get those extra premiums by showing your prospects all the coverages available and how small the additional cost actually is.

The prices for either one of these business building blanks, in pads of 50, are: 5 to 24 pads, 50 cents per pad; (no order filled for less than 5 pads); 25 pads, 48 cents each; 50 pads, 45 cents each; 100 pads, 40 cents each; 500 pads, 35 cents each; 1000 pads, 30 cents each. Quotations furnished on larger quantities. On the reverse side of each form, above the application, your imprint can be included at an additional cost of \$1.50 per 20 pads. Order your supply now. Use this convenient Order Coupon. ➡

The National Underwriter,
175 W. Jackson Blvd., Chicago, Ill.

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Please send us _____ pads of Automobile Insurance Quotation
Blanks, Commercial Car Form @ _____ per pad - - - Total _____
Please send us _____ pads of Automobile Insurance Quotation
Blanks, Passenger Car Form @ _____ per pad - - - Total _____
(Quantity prices apply to mixed orders.)

NAME _____ TOTAL _____

BY _____ (ORDERS SHIPPED

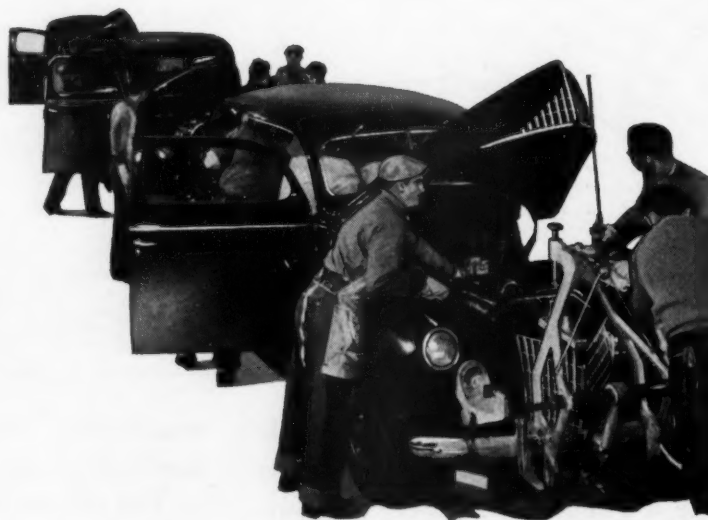
ADDRESS _____ F. O. B. CHICAGO

CITY _____ STATE _____ UNLESS CASH AC-

COMPANIES ORDER.)

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With broad coverage, selective ratings, Safe Driver Reward, and claim service throughout North America, a Standard automobile policy offers the utmost in security and peace-

of-mind at surprisingly low cost. Standard is emphasizing these advantages in a series of advertisements directed to 3,500,000 readers of leading national magazines.

Sell Standard's automobile coverage to new-car buyers and other prospects now. This Company's long experience in automobile underwriting will help you close more sales.

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